

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Joanna Prukop Cabinet Secretary

November 4, 2005

All Inches

Mark E. Fesmire, P.E. Director Oil Conservation Division

**Mission Resources Corporation** Holland & Hart LLP c/o P. O. Box 2208 Santa Fe, New Mexico 87504-2208

Attention:

Ms. Ocean Munds-Dry

Administrative application (Division reference No. pSEM0-528552676) on behalf of Re: Mission Resources Corporation filed with the Division on October 12, 2005 for an exception to the well density requirements, Rule 3 (C) of the "Special Pool Rules for the Jalmat Gas Pool (79240)," as promulgated by Division Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001, within an existing non-standard 120-acre Jalmat gas spacing unit comprising Lot 1 and the S/2 NE/4 of Section 5, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico (approved by Division Administrative Order NSP-183-A dated January 8, 2003).

Dear Ms. Munds-Dry:

The location of Mission Resources Corporation's proposed State "157-G" Well No. 5, to be drilled as an infill gas well 2280 feet from the North line and 750 feet from the East line, is unorthodox by some 200 feet pursuant to Rule 3 (A) (2) of the special Jalmat rules. Your application is hereby denied and is being returned to you.

Should you wish to reapply, either move the well to a standard gas well location or submit justification for the non-standard location.

Sincerely,

Michael E. Stogner

Engineer

MES/ms

cc:

New Mexico Oil Conservation Division - Hobbs New Mexico State Land Office - Santa Fe

ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



Jalmat 5-225-36E

# ADMINISTRATIVE ADDITIONAL CHECKI

TH	HIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RU	LES AND REGULATION
A 11 -	WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE	
Applic	ation Acronyms:	ledication!
	[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit [SD-Simultaneous I [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measure [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production]	mmingling] ement]
		2005
[1]	TYPE OF APPLICATION - Check Those Which Apply for [A]	
	[A] Location - Spacing Unit - Simultaneous Dedication  NSL NSP SD	130
		.12
	Check One Only for [B] or [C] [B] Commingling - Storage - Measurement	PM
	☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM	2
	[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  WFX PMX SWD IPI EOR PPR	.08
	[D] Other: Specify	
[2]	NOTIFICATION REQUIRED TO: - Check Those Which Apply, or □ Does Not Apply [A] □ Working, Royalty or Overriding Royalty Interest Owners	7
	[B] Offset Operators, Leaseholders or Surface Owner	
	[C] Application is One Which Requires Published Legal Notice	
	[D] Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office	
	[E] For all of the above, Proof of Notification or Publication is Attached	d, and/or,
	[F] Waivers are Attached	
[3]	SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROOF APPLICATION INDICATED ABOVE.	CESS THE TYPE
[4] approv applica	<b>CERTIFICATION:</b> I hereby certify that the information submitted with this application value is <b>accurate</b> and <b>complete</b> to the best of my knowledge. I also understand that <b>no action</b> ation until the required information and notifications are submitted to the Division.	n for administrative will be taken on this
	Note: Statement must be completed by an individual with managerial and/or supervisory ca	apacity.
Oceo Print of	an Munds-Bry Ocean Munds-Dry Attorney Title  Signature  Title	/0-11-05 Date
	omundsdry@he-mail Address	ollandhart.com



Ocean Munds-Dry omundsdry@hollandhart.com

October 11, 2005

#### HAND DELIVERED

Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Mission Resources Corporation for administrative approval of an infill gas well and simultaneous dedication of State 157 G Well No. 5, 2280' FNL and 750' FEL, S5-T22S-R36E, Jalmat Gas Pool, Lea County, New Mexico.

#### Dear Mr. Fesmire:

Pursuant to the provisions of Rule 4(B) of the Special Pool Rules for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170-P dated December 14, 2001, Mission Resources Corporation ("Mission") hereby seeks an administrative exception to the gas well density provisions of Rule 3(C) and authorization to simultaneously dedicate said well to the 120.02-acre non-standard spacing and proration unit approved by Order No. NSP-183-A, dated January 8, 2003.

Mission seeks approval of the State 157 G Well No. 5 to be drilled at a standard location 2280 feet from the North line and 750 feet from the East line (Unit H), Section 5, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico. The proposed well would be drilled within an existing 120.02-acre gas spacing unit comprising Lot 1 and the S/2 NE/4 (NE/4 equivalent) of said Section 5 to which is currently dedicated to the State 157 G Well No. 2 (API No. 30-025-08787). Therefore, Mission also seeks approval to simultaneously dedicate the State 157 G Well No. 5 to the spacing unit in said Section 5.

# HOLLAND&HART.

The proposed well is necessary to facilitate the recovery of Jalmat gas reserves. Based on the geological discontinuity in the Jalmat the tighter spacing is anticipated to recover reserves, which cannot be recovered from existing wells. The wells will be completed with modern completion and fracture stimulation techniques which will insure optimal recovery from the discontinuous Yates/Seven Rivers sands. **Exhibit 1** is a Top of Structure Map which shows the proposed well location in Section 5.

Exhibit 2 shows recovery of incremental reserves by this infill well has been confirmed by results of work in the field over the last six years. Exhibit 3 is an economic analysis that shows the proposed well will be economic. The work of Raptor Resources, Inc. ("Raptor") and Mission was reviewed from August of 1999. Detailed information for the 20 Raptor and 12 Mission completions are listed on Exhibit 2. Exhibit 4 shows the locations for this work. The average incremental recovery for these projects is 1055 MMCF. The monthly production data for each of these completions was normalized. The data was then averaged to produced a normalized production curve as shown on Exhibit 5. A best fit of the production data from the normalized curve, culling out the less reliable data when the well count drops dramatically results in a EUR of 1005 MMCF. Thus, both methods of reserve analysis results in an average well recovery of a little over 1 BCF.

Exhibit 6 is a cross-section showing the Yates and Seven Rivers sands vary substantially from well to well in thickness and reservoir quality. Given the variability of the sands, net pay isopach maps have not proven to be useful and are not included. Detailed correlations with newer generation Density-Neutron logs in the Yates and Seven Rivers interval reveal the sands "come and go" and are not blanket reservoirs. Sands that have not adequately produced in the area are expected in each new well bore.

Jalmat producers have been down-spaced on the Mission acreage from 160 acres to 80 acres to 40-acre spacing in several phases since 1989. New gas production and reserves have always been encountered from these efforts, as shown on **Exhibit 7.** 

Exhibit 8 is the completion data and estimated EUR for the 40-acre locations around the proposed well. The State 157 G Well No. 4 has a EUR of 1.3 BCF. The State 157 G Well No. 2 initially produced 479 MCFD and would have a similar EUR if a casing leak had not damaged the Jalmat sands. The State A A/C 2 Well No. 28 and State A A/C 2 Well No. 34 will each make another 2.1 and 3.7 BCF respectively that otherwise would not have been recovered. The proposed well will be 300 feet south of State 157 G Well No 1-A which produced 409 MMCF from the Yates formation after a very small frac with 6000# of sand in 1955. This well was never perforated in the over 300 feet of Seven Rivers gross interval.

Many of the older wells had only small or no frac treatment and were not perforated or treated in a way to adequately contact every gas-bearing sand. In many cases, the Seven Rivers gas zones were not perforated at all. **Exhibit 8** shows that the older wells had fracs of only about 6,000 to 58,000 # of sand. Mission is using a combination of limited

# HOLLAND&HART

entry perforating and pumping much large frac jobs (300K#) to insure that the entire Jalmat interval is stimulated. The designed fracture half length is approximately 300 feet. Mission believes it is economically better to drill a new well wherever the old casing integrity is questionable, so that a modern frac job can be done. Careful engineering of the frac job can then assure all potential sands are effectively drained.

Approval of this application will result in the efficient recovery of hydrocarbons, prevent waste and will not violate correlative rights.

**Exhibit 9** is OCD Form C-102 depicting the proposed surface locations of the referenced wells.

Exhibit 10 lists the parties affected by this application. Exhibit 11 is a base map displaying the offset operators. All proposed locations are at least 660 feet from any lease line. Exhibit 12 is an affidavit confirming that notice of this application has been provided in accordance with the provisions of Rule 1207(C) [and Rule 4(D)] by providing a copy of this application, including all attachments, to the affected parties by certified mail-return receipt requested in accordance with Rule 1207 (B) advising them that if they have an objection to this application it must be filed in writing with the Division's Santa Fe office within twenty days after filing of this application and proof of notice with the Division.

Also enclosed is a proposed administrative order of the Division.

Your attention to this application is appreciated.

Sincerely,

Ocean Munds-Dry

ATTORNEY FOR MISSION RESOURCES

cean Murds- by

CORPORATION

Enclosures

cc: Nancy Gatti, Mission Resources Corp.



Ocean Munds-Dry Associate omundsdry@hollandhart.com

October 11, 2005

#### <u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

#### TO OFFSET OPERATORS

Re: Application of Mission Resources Corporation for administrative approval of an infill gas well and simultaneous dedication of State 157 G Well No. 5, 2280' FNL and 750' FEL, S5-T22S-R36E, Jalmat Gas Pool, Lea County, New Mexico.

#### Dear Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date by Mission Resources Corporation for administrative approval of an infill gas well and simultaneous dedication for its proposed State 157 G Well No. 5, Jalmat Gas Pool, at a location 2280 feet from the North line and 750 feet from the East line of Section 5, Township 22 South, Range 36 East, N.M.P.M., Lea County, New Mexico. Mission seeks to dedicate this well to an existing 120.02-acre gas spacing unit comprising Lot 1 and the S/2 NE/4 (NE/4 equivalent) of said Section 5 to which is currently dedicated to the State 157 G Well No. 2.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Ocean Munds-Dry
Attorney for Mission Resources Corp.

Enclosures

Attention: Ms. Nancy Gatti

Administrative	Order -
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Dear Ms. Gatti:

cc:

Reference is made to your application dated October 3, 2005 for an infill gas well and simultaneous dedication for its proposed State 157 Well No. 5, Jalmat Gas Pool, at a location 2280 feet from the North line and 750 feet from the East line of Section 5, Township 22 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

The proposed well will be simultaneously dedicated to an existing 120.02-acre gas spacing unit comprising Lot 1 and the S/2 NE/4 (NE/4 equivalent) of said Section 5 to which is currently dedicated to the State 157 G Well No. 2 (API No. 30-025-08787).

This application has been duly filed under the provisions of the "Special Pool Rules for the Jalmat Gas Pool," as promulgated by Division Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001.

By authority granted me under the provisions of Rules 4(A), (B), and (D) of the special rules governing the Jalmat Gas Pool, the following described well within this 120.04-acre spacing unit is hereby approved:

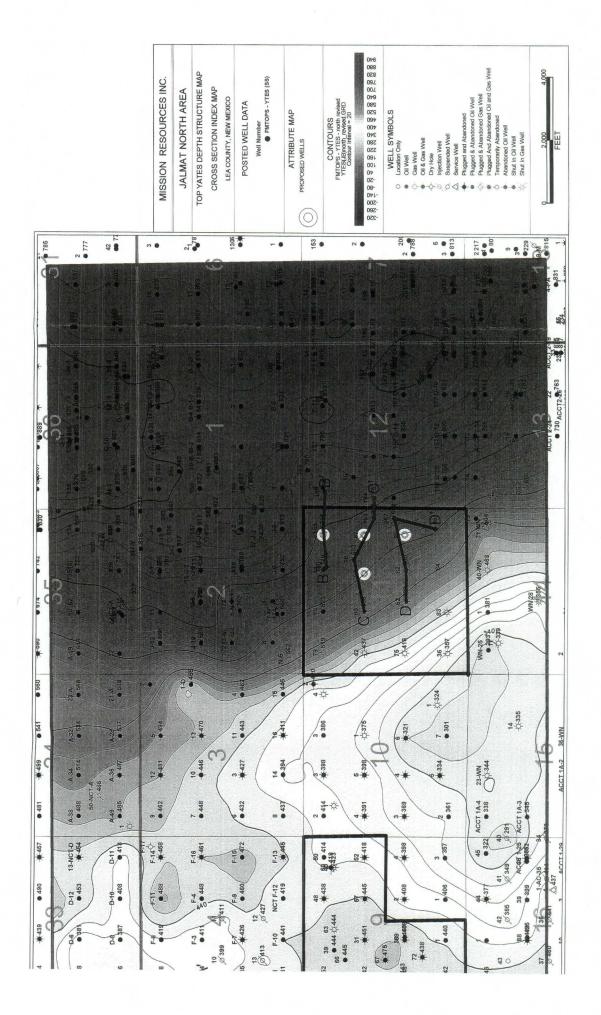
State 157 G Well No. 5 2280' FNL and 750' FEL of Section 5

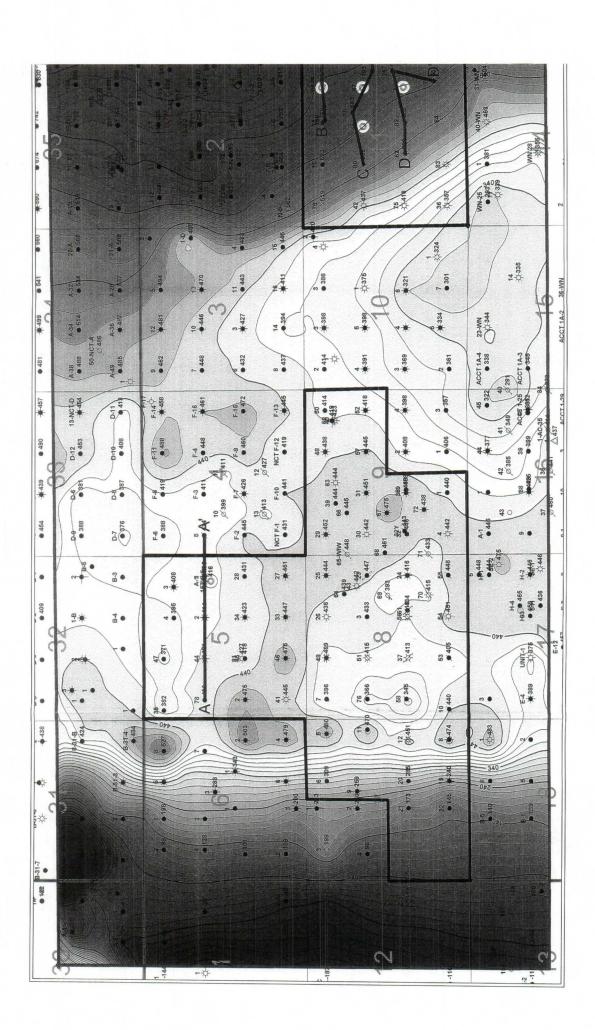
Further, Mission is hereby authorized to simultaneously dedicate Jalmat gas production from both the above-described State 157 G Wells No. 2 and No. 5.

Sincerely,

Mark E. Fesmire, P.E. Director

Oil Conservation Division - Hobbs/Artesia





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Class   JALMANT   Processing   TANSILL-VITES-SEVER RIVERS   0   717   0   0   0   0   0   0   0   0   0	compl	Gas	JALMAT	Producing	THE RESIDENCE OF THE PARTY OF T		0	9	0	0	0	O	248	0	248
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Clase JALMAT Producting	Ē	Gass	JALMAT	Producing	16	TANSILL-YATES-SEVEN RIVERS	0	210	0	0	0	0	892	0	892
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Class JALMAT   Shrkfn   Chockeing   Shiften   Dry Hole   TAMSILL-YATES-SEVER RIVERS   0   286   0   0   0   0   0   0   0   0   0	E C	ō	JALMAT	Producing		TANSILL-YATES-SEVEN RIVERS	2	Ŕ	12	0	0	4	222	4	222
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Clience   Clear   Pedri Name   Status   Producing											Average:	+	1039		
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Gas         JALIMAT         Producing         Average: TANSILL-YATES-SEVEN RIVERS         0         169         0         0         0         1120         0         1120         0         1120         0         1120         0         1120         0         1120         0         1120         0         1120         0         1120         0         1120         0 </td <td>Ē</td> <td>Gass</td> <td></td> <td>Producing</td> <td></td> <td></td> <td>2</td> <td>252</td> <td>4</td> <td>0</td> <td>0</td> <td>0</td> <td>250</td> <td>0</td> <td>250</td>	Ē	Gass		Producing			2	252	4	0	0	0	250	0	250
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Gas JALMAT   Producing   TANSILL-YATES-SEVEN RIVERS   0   116   10   0   0   701   0   0   701   0   0   701   0   0   0   0   0   0   0   0   0	5	SS S		Producing		TANSILL-YATES-SEVEN RIVERS	٥	91	0	0	0	0	516	0	516
<b>6</b>	5	Ggs Ggs		Producing			0	116	9	0	0	0	102	0	701
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Jalmat Field - Northern Area

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Gas	(mcfd)	362	406	388	177	201	54	_ 77	136	548	330	172	196	452	216	91	117	210	203	\$	286	Dry Hote
8	(stpq)	5	14	0	3	0	0	0	0	0	0	0	2	0	0	0	0	0	0	2	0	
	Prod Zone Name	TANSILL-YATES-SEVEN RIVERS																				
	First Prod Date	2000/05	2000/05	2000/11		1999/08		1988/11	1999/11	200005	200005		200008	1999/12	2000/06		1989/09	2000/11	2001005	2002/05		Dry Hole
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	Off or Gas	88	ō	8	ō	SE	ā	888	88	Gas	Seg	ğ	88	88	Seg.	SSS	880	88	S	ō	Gass	888
	Type	Recompl	Recompl	Recomp	Recompl	Recomp	Recompl	Recomp	Recomp	Recompl	Recomp	Recompl	Recompl	Recompl	Recompl	Recompl	Recompl	New Drill	New Drill	New Drill	New Drill	New Orill
•	AP	30025087870000	30025087900000	30025087910000	30025088290000	30025088530000	30025088300000	30025088250000	30025088330000	30025088340000	3002508855000	30025088560000	30025087940000	30025088000000	30025088450000	30025088590000	30025088410000	30025347910000	30025348720000	30025349100000	11D 22S 38E 30025356510000	1F 22S 38F 3000535567000
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:	Wei	Г	Γ	2		Τ	_	9	Γ	Γ	T	Т	Τ.	T	T	Γ	Γ	Γ		Т	Γ	E
•	Lease Name	STATE 157 G	STATE 157 G	STATE A A C 2	STATE A C 2	STATE A A C 2	STATE A A C 2	STATE AAC2	STATE AAC2	STATE AAC2	STATE A A C 2											

II. New Comp	letions s	ince Mission	II. New Completions since Mission became operator in 3/2004	· in 3/2004					op	8/8ths Initial Rate	iğe.	8/8ths Cum Prod (	8/8ths Cum Prod @ Recompl/Drill Date	8/8ths In
								First Prod Date	8	Ges	¥	ਰ	Gas	5
Lease Name	Meil	Location	AA	Type	Oll or Gas	Field Name	Status	After work Prod Zone Name	(pqts)	(mcfd)	(ptpq)	(mstbs)	(mmcf)	(mstbs)
STATE A A C 2	L	9N 22S 38E	300250	Add pay & Frac	Gas	TAMAL	Producing	TANSILL-YATES-SEVEN RIVERS	RS 0	89	0	0	1034	
STATE A A C 2	8	5 225 38F	30025087920000 Add pay & Frac	Add pay & Frac	ō	JALMAT	Producing	A TANSILL-YATES-SEVEN RIVERS	RS 1	330	0	8	126	
STATE A & C 2	L	9D 22S 38E	1,,	Add Day & Frac	Ses	JALMAT	Producina	TANSILL-YATES-SEVEN RIVERS	RS 1	129	0	0	315	
STATE A & C 2		50 228 38E		Add bay & Frac	883	JALMAT	Producing	TANSILL-YATES-SEVEN RIVERS	RS 1	292	0		286	
STATE A & C 2	L	9K 22S 38E	30025088470000	Add pay & Frac	SE	JALMAT	Producing	TANSILL-YATES-SEVEN RIVERS	RS 0	121	0	- 2	7993	
STATE A C 2		5C 22S 36E	30025087980000	Add Day & Frac	õ	JALMAT	Producing	TANSILL-YATES-SEVEN RIVERS	RS 28	140	0	10	155	
STATE AAC 2	29	9K 22S 36E	30025282760000	Add pay & Frac	Ses	JALMAT	Producing	TANSILL-YATES-SEVEN RIVERS	RS 0	98	0	2	313	
STATE A C 2	8	8P 22S 38E	30025282790000	Add Day & Frac	889	JALMAT	Producing	AND THE SEVEN RIVERS	RS 0	221	0	0	6	
STATE AAC2	200	5K 22S 38E	30025358680000	New Drill	Ses	JALMAT	Producing	TANSILL-YATES-SEVEN RIVERS	RS 2	252	4	0	0	
STATE A C 2	8	11J 22S 38E	30025369360000	New Drift	88	JALMAT	Producing	TANSILL-YATES-SEVEN RIVERS	RS 0	189	0	0	0	
STATE A A C 2	8	11N 22S 38E	1N 22S 36E 30025369100000	New Drill	889	JALMAT	Producing	TAMES SEVEN RIVERS	RS 0	16	0	0	0	
STATE A & C.3	Z	110 22S 36F	110 22S 36F 30025369350000	New Drill	880	JALMAT	Producing	TANSILL-YATES-SEVEN RIVERS	RS 0	116	2	0	0	
			-											

#### **Jalmat - New Drill - Economics Summary Table**

#### Input:

WI = 100 % RI = 82.5%
Assumed Prod Start Date = 2-1-06
Initial Rate = 242 mcfd + 0 bopd
di = 40%
n = 3.5
NGL Yield = 138 bbls/mmcf
1-Gas Shrinkage = 59%
Plant Takes = 13% of residue gas & ngls
Gas Price = \$7.40/mcf flat
Oil Price = \$55/stb flat
NGL Price = \$39.05/stb flat
OP Cost = \$1207/well/mth
Assumed Drill Date = 1-1-06
CWC = 607 M\$

(from normalized type curve)
(from normalized type curve)
(from normalized type curve)
(from plant statements)
(from plant statements)
(contract with plant)
(adj for differentials from NYMEX (-\$.60/mcf) )
(no oil in economics)
(71% of Oil)
(actuals from los statement)

(latest AFE est)

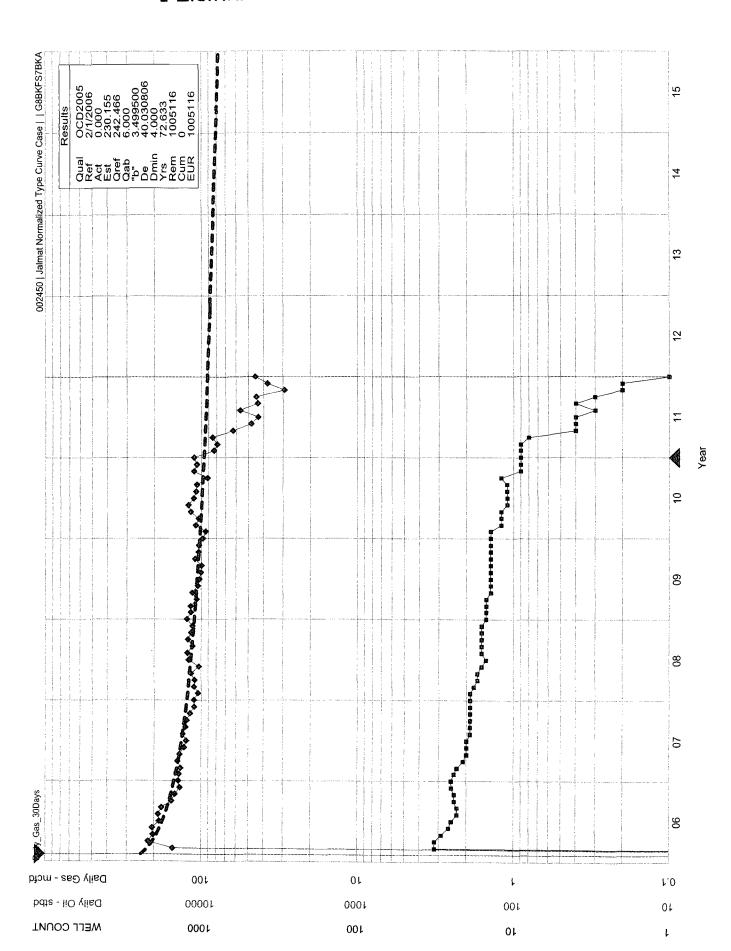
#### Results:

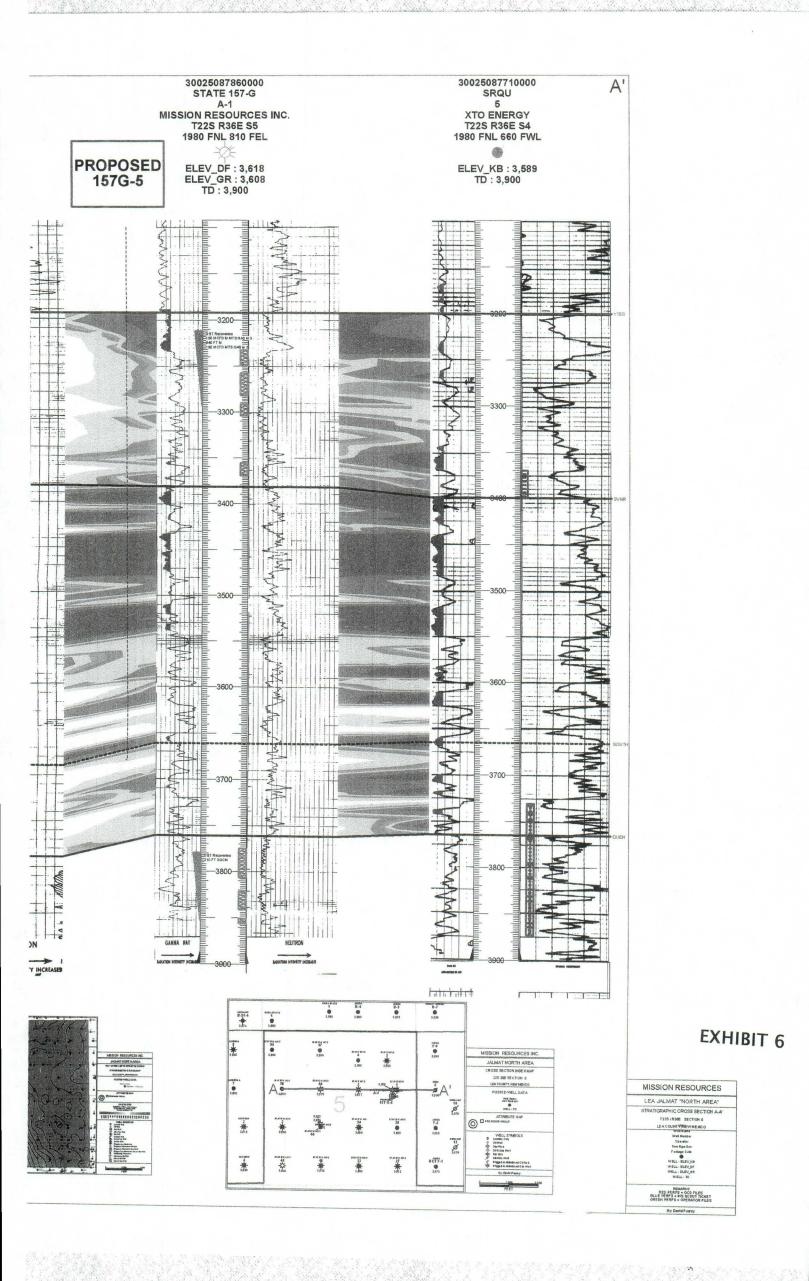
8/8ths Reserves = 1005 mmcfg NPV @ 10% = 1455 M\$ ROR = 66% Payout = 21 mths ROI = 9.1

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			MISSION RESOURCES INC. JALMAT NORTH AREA	RECENT JALMAT ACTIVITY T22S / R36E SECTIONS 5,7,8,9,11	LEA COUNTY, NEW MEXICO POSTED WELL DATA	Weil Name Weil Number	ATTRIBUTE MAP © 2005 PROPOSED WELLS (Opastrop perchanging strong some	© RAPTOR NEW DRILL SINCE 1999  OMISSION ADD PAYREFRAC  MISSION NEW DRILL	SYMBOL HIGHLIGHT  MISSION OPERATED PROJECTS	WELL SYMBOLS  C Location Only  Cut Well		∴ Injection Well  ○ Suspended Well  △ Service Well  → Plugged and Abandoned	• • •	Temporarily Abandoned     Abandoned Oil Well     Abandoned Abandoned Oil Well     Abandoned Abandoned Oil Well     Sharth Oil Well		0 2,000 4,000 6,000
2 •		- 5 - 5	*. 2. 1.00 1.00 1.00	2,				e. E.z.	7. P. A. 8. €	PATERS PATER ATTER GUL	шФВ		A AG	A MING	WBU GG U	BBOALD.
LEONARD C-12	LECNARD  FOR S	STATE 36-1	TE STATE AGU 36-2 144 •	MATTERN NOMING ERN	LOCKHART B-1-8	LOCKHART B-1-8 *	LOASHART	JANTER JANTER	MATHER WEATTE	STAMBROWNEAD STREET 157 D-11 2057 D- 6 * ARROWNEAD GRAYBURG	STATE 157 D-9 10WEEARS STA	MCDONAL ACCT ZO 30-	STATERORES	MCDONAL MCDONAL WHEAD G	ALD STATE MICDONALD-STAT ACCT 2-23 MICDON 20 -A-RROWNED GRAWERING U 239	STATEMEBO
HARD •	È	BREF BARF 2 •		1 2			F.	EKAYBUH Ba	MAT.	STAMBROWHEAD SHET 157 D-14 2057 1 9 3/2 3/2 RROWHEAD GRAYBUR	STATE 157 D-to STAT# 1570EH	MODONALD STATINGDOMY STATINGS STATINGS ACCT 2-32 ZZO 3	MANAGE STATE	D SWATERRO	D STATE 2.23 MCDO 6.RROW	
D LEONARD C-8 ◆	LECHARD LECHARD LECHARD 128 C.19 128 C.	WHEAISNEE 131 17 ATE DADE	STATED 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	SKUNDENS SKU	LOCKHADDICHART B4 B4-7 *	LOCKHART B	E MAYTERN E LOCKHART ARROWNELMBERA/PBURG B-5 1/8 1/8 1/8 1/8 1/8 1/8 1/8 1/8 1/8 1/8	**************************************	MITERN ATE 157.	•			MCDONALD-STAT MC	MCDONALLI STATERODAALD STATREDOMALD ACT 7-24 Z RE MCDREALLE ACT 7-24 Z REPRESENTE OF MELD OF MED OF		-
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	MARDHARR *** **	FEDCOM 1	E	SXIII SXIII SXIIII SXIIIIIIIIIIIIIIIIII	A YEACHOUR A A A A A A A A A A A A A A A A A A A	EAD MA	MATTERN E MATTERN 4 ARROWHEADGG 9 % % % % % % % % % % % % % % % % % %	W-EDREGOWH	H T MATTERN N 15 16 18 18 18 18 18 18 18 18 18 18 18 18 18	•		MCDONALD-STATI		•	E CD	
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RAMSEY 27.4	RAMSEY A-30	RAMISEY A-32	RANSEY A-28	LEONARD	LEONARD 13 *	LEOMARD 11	1.EOKARD 16 *	JAMES	AA-68	RECORD *	RECORD 7		MCDONALD STATE 14 公 公	DOWALD STATE		
RAMSEY A-33	RAMBEY 11 *	RAMSEY A-34	RAMSEY A-JS *	LEONARD 42 *	LEONARD 10 +	LEONARD *	LEONARD 14	HARRINGTON 3	HARRIMETON S #	HS RECORD WN	30RD ₩ 5	LD STATE	وين د د د د	MCDONALD STATECDON ACCT 1A-2	C	
RAB		246	A CLIP					IN HARR			<b>x</b>	ATERCDONA 23	ATE		300	
RAMSEY A48	RAMSEY 26-A	RAMSEY A.38	MSEY RAMSEY A48 WA RAMSAYASTA	LEONARD	LEONARD 7	LEONARD 6 •	LEONARD 8 8	HARRIMGTON HARR 2 DD #ARRIMGTON 本	HARRINGTON	RECORD *	RECORD 2	HELL STATE MAXWELL-STAMBDONALD STATE ADDONALD STATEMEDONALD STATE  A.1  A.2  A.4  A.4  A.4  A.4  A.4  A.4  A.4	STATE MODOWALD STATECHONING STATE MODOWALD STATE STATECHONING STATE  ***  ***  ***  **  **  **  **  **  *	EMCDONALD 1-A	MCDONALD STATE MCDONALD STATE MCDONALD STATE COUNTY STATE MCTONALD	
ARNOTT RAMSEY D-2	T RAMSEY	RAMSEY 13-NCT-D ★	T RAMSSEY	F-17 LANDA-Q- F-14	Adaba 8-1-8-	F-15	JANDA F-13	E.W. ACZ	E. W. Arc 2	STATE 157-A	8TATE 157.4A 3 ◆	ALD STATES 45 6 TBCDONALI	ALTA SE AUTO	ALD STATE CT1-28	PSTATE A	<b>)</b>
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OTT RAMSEY	OTT RAME	D-9	OTT RAMS D.7	JANDA	SRQU S	JAMDA F-2 •	JANDA NCT F-1		ATE WAC	WC 2	IATE'N'AC2	HELL STAT.	STATE E 9 •	37 SE WOONLD STATE WOONLD STATE MAD STATE COREDOWN STATE WOONLING STATE MAD STATE OF SERVICE WOONLING	MICHAEL STATE ACAI  MICHAEL STATE  M	0

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RAMSEY 27.4 *	RAMESEY A-30	RANSEY A-32	RAMSEY A-28 *	LEONARD 5 *	LEOMARD  + 1  LEOMARD  - 1	LEOMARD 16 *	JAMES 3 4	*-*	RECORD *	KECORD 7	1	CDONUD STATE	STA
RABISEY A-33	RABSEY ++ ++	RAMSEY A-34  RAMSEY SO-HCT-A	RAMSEY A-38 *	LEONARD 42	LEONARD +10	LEONARD 14	HARRINGTON 3	HARRINGTON *	HS RECORD WH	RECORD *	ACCT 144 23-WN ACCT 144 23-WN ACCT 144	EECDONALD STAIN ACCT 14.2	6
RANSEY A-48	RABSEY Z6A	RAMSEY A-38  RAM 50-41	RAMSEY A-49 VAMSAY 6TA †	LEONARD 9	LEOMARD  T T T T T T T T T T T T T T T T T T T	LEONARD	HARRENGTON 2 DD MARRING	HARRINGTON	RECORD *	RECORD 2	ACCT 144 ACCT 144 LD STATE	ACCT 14-3 ACCT 14-3 ACCT 14-3 ACCT 14-3 ACT 14-3 BE B	
ARNOTT RABSEY D-2	ARNETT RAMSEY	RAMSEY 13-NCT-D	ARNOTT RAMSEY D-11 WA	F-17 → ************************************	Advanta 55 *	JANDA *F13 *	STATE WAS STATE	STATE W. MC 2	STATE 157.♣ ★	8TATE 157.4 3	SHELLSTATE MAXWELLSTAMEDOWALD STATE MEGONALD STATEMEDOWALD STATEMED	SECOND STATE SECON	
54	ARNOTT RANISEY DS •	ARNOTT RANSEY	ARHOTT ARMSEY D-10	JANDA F-11	ANDA F F 4 S S S S S S S S S S S S S S S S S S S	D UNIT 12 M JANDA NCT F-12	STATE WACZ	STATE W MC2	2 STATE 157.A 2 **	STATE 157-A	EDONALD STATE / 44 **  **  **  **  **  **  **  **  **	STATE STATES	The state of the s
	ARNOTT RAMSEY D3 **	ARNOTT RABSEY 0.6	ARNOTT RAMSEY I	AMDA F.8 •	ACIANDA F3 2 UNIT NSR 0 0 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	O UNIT HSR	C2 STATE WAC STATE WAS STA	STATE WACE			MAXWELL-STAM	TAT AND	TIME ACT 1 STATE A
ARHOTT RAMSEY D-1	ARNOTT RABSET	ARHOTT RAMSEY D-9	ARNOTT RAMSEY ARNO	JANDA F.6 •	SROU S S MSRR LIANIDA			S S S S S S S S S S S S S S S S S S S	STATE NAME OF STATE O	STATE W.WC2	I I	STA S NAALD	MCDONALD-STA
STATE SS	STATE D4 •	JANDA B  - JANDA - B-5	JANDA 8-3	TATE 157-G	State Bridge	ملا	STATE WACZ STATE WACZ 8  * STATE WACZ STATE  STATE WACZ STATE  STATE WACZ STATE	STATEWACZ STATEWACZ SHATEWACZ **  **  **  **  **  **  **  **  **  **	22STATE WAC 2	TE WACZ	STATE HIT STATE HIT STATE HIT STATE HIT STATE HIT STATE HIT STATE STATE HIT	STATE HOODS STATE WOODS	STATE 1-E 1-E 1-E 1-E 1-E 1-E 1-E 1-E 1-E 1-
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STATE DJ	STATE D4 •	PECH STATE	ELL-STATE	STATE WAC 2	STATE W MC2	STATE W MC 2	STATE W. MC 2	MOSTATE IV AC 2	STATE W AC 2	10 M	STATE E	STATE E-4 *	STATE E6
RECTOR 5	RECTOR 2	LOCKHART 8-31-8	LOCKHART SHELL-STATE B-31-4	N	CLOSSON A  CLOSSON A  CLOSSON  CLOSSON  CLOSSON	# <b>*</b>		STATE WA	STATEW ASTATEW ACZ STATEW ACZ	STATE WAS WEEK MCZ STATE WACZENTE WACZ	CLOSSON A	CLOSSON FEDER CLOSSON A.3	CLOSSON A
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SATE LOCKHAR!	DCKHART B-31-7		ATH W	DAY 2	, 8ª	A S S S S S S S S S S S S S S S S S S S	STATE 157 B	STATE 157-8				CLOSSON-FEDER	CLOSSON BAG
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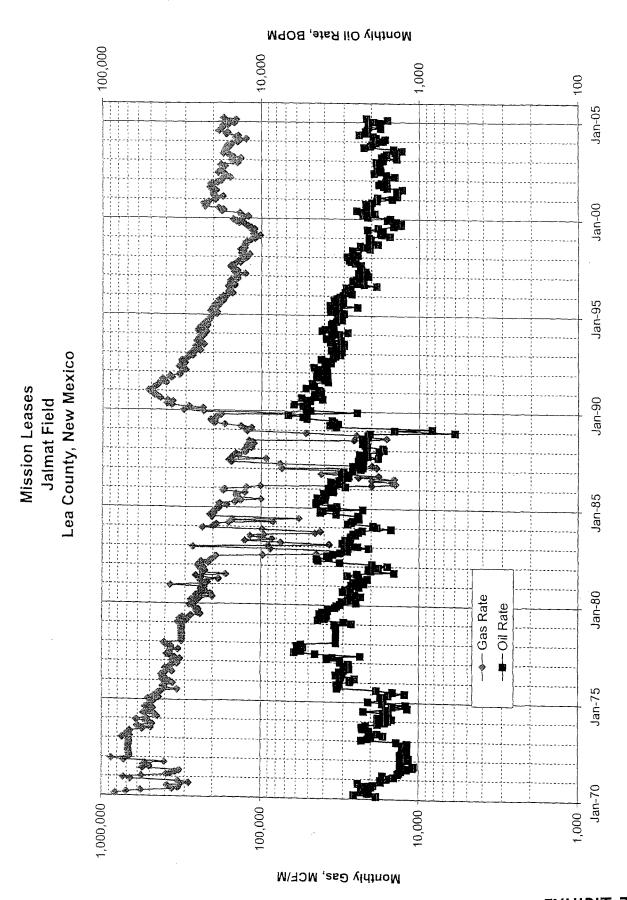




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78
MISSION RESOURCES INC
T22S R36E S5
1980 FNL 660 FWL 30025087870000 STATE 'A' A/C 2

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MISSION RESOURCES INC. STATE 157 G 2 MISSION RESOURCES INC. T22S R36E S5 1980 FNL 1980 FWL T22S R36E S5 1980 FNL 1980 FEL 0 -ELEV\_KB: 3,610 TD: 4,000 ELEV\_DF: 3,618 TD: 3,879 ELEV\_KB: 3,608 ELEV\_GR: 3,598 TD: 3,877 CAUTE S -3400-X AND VALUE -3700-GAMMA BIV Allbellen GAMMA RAY NEUTRON STOPTION WITHOUT INCREASED BADIATION INTRISTY INCHES



OFFSET JAI SECTION: 5	LMAT WE	LLS FOR NEW SPOT:H	WELL	OFFSET JALMAT WELLS FOR NEW WELL 157G-5 (REDRILL OF STATE 157 G-1A) SECTION: 5 SPOT:H	LL OF STATE	E 157 G-1A)			
JALMAT FIELD, LEA CO, NM	ELD, LEA	CO, NM							
Well #	Sec/spot	Comp date	Zones	Pay interval	Treatment	Cum MMCF	Cur rate	Status	EUR
40-acre offsets Sec 5:	sets Sec 5								
200	, , , , , , , ,	*							
157G-3	5A	Jun-65	Y-7R	3193-3571	20K# SD	414	0	P&A 4/70	414
1576-4	5B	May-00	Y-7R	3206-3681	190K# SD	233	96	OIL	1303
157G-2	56	Oct-00	Y-7R	3224-3670	190K# SD	115	8	GAS	115
157G-1	5H	Oct-43	SE					P&A 8/55	
157G-1A	5H	Sep-55	7	1 1	6K# SD	409	0	TA 7/74	409
				To be redrilled					
AAC2 #28	51	Nov-89	X	3170-3365	58K# SD				
		Jun-04	Υ-7R	3170-3594	300K# SD	166	130	TIO	2216
AAC2 #34	5.1	Aug-00	Y-7.R	3183-3654	190K# SD	790	242	GAS	3740
40-acre offs	sets, Sec 4	40-acre offsets, Sec 4 operated by XTO:	~ ÖL						
SRQU 6	40	Aug-56	SE					TA 11/94	
SRQU 5	4E	Sep-59	>	3370-3400	30K# SD	170	0	P&A 11/84	170
SRQU 2	4	Nov-43	SE					OIL	
	- Pagend								
	200								
Y=Yates 7R=Seven Rivers	livers								
SE=South Eunice	unice (Que	SE=South Eunice (Queen) Pool							
GREG=Grayburg	dia Feet. Jourg								

DISTRICT I 1625 N. French Dr., Hobbs, NM 86240

#### State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT II P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IY

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

**EXHIBIT 9** 

☐ AMENDED REPORT

# 2040 South Pacheco, Santa Fe, NM 87505

API Number	Pool Code	Pool Name
Property Code	Property Name STATE 157 G	Well Number 5
OGRID No.	Operator Name MISSION RESOURCES CORPORATI	ON Elevation 3604'

WELL LOCATION AND ACREAGE DEDICATION PLAT

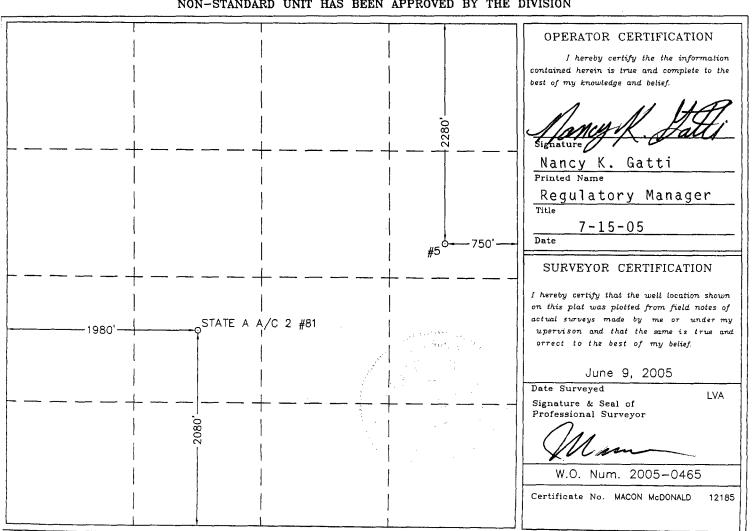
#### Surface Location

ſ	UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
	Н	5	22 S	36 E		2280	NORTH	750	EAST	LEA

#### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint o	r Infill Co.	nsolidation	Code Ore	der No.	L		}	

#### NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



#### EXHIBIT 10

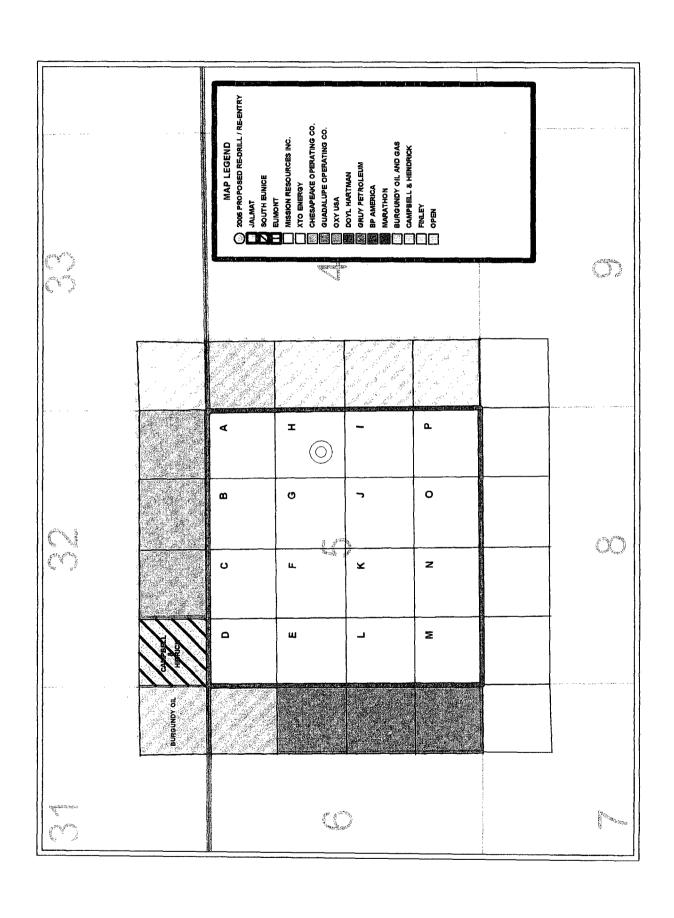
## Affected Parties

State 157 G Well No. 5 Section 5, Township 22 South, Range 36 East, NMPM Lea County, New Mexico.

XTO Energy, Inc. 810 Houston Street, #2000 Fort Worth, TX 76102-6298

Chesapeake Operating, Inc. P O Box 18756 Oklahoma City, OK 73154

ChevronTexaco 1111 Bagby Street Houston, TX 77002



## **EXHIBIT 12**

# BEFORE THE OIL CONSERVATION DIVISION NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

IN THE MATTER OF THE APPLICATION OF MISSION RESOURCES CORPORATION FOR ADMINISTRATIVE APPROVAL OF AN INFILL GAS WELL AND SIMULTANEOUS DEDICATION OF STATE 157 G WELL NO. 5, 2280' FNL AND 750' FEL, S5-T22S-R36E, JALMAT GAS POOL, LEA COUNTY, NEW MEXICO.

#### **AFFIDAVIT**

)

STATE OF NEW MEXICO

3462469\_1.DOC

) ss. COUNTY OF SANTA FE )	
Ocean Munds-Dry, attorney in fact and autho	rized representative of Mission
Resources Corporation, the Applicant herein, being first	duly sworn, upon oath, states that
notice of the above-referenced Application was mailed to	o the addresses shown on Exhibit
"10" attached hereto.  Ocean N	Mundo-Dry  Munds-Dry
SUBSCRIBED AND SWORN to before this May of Munds-Dry.  Subscribed And Sworn to before this May of Notary I	f Ottober 2005 by Ocean  Mara ann Hart  Public
My Commission Expires: 3/28/08	

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