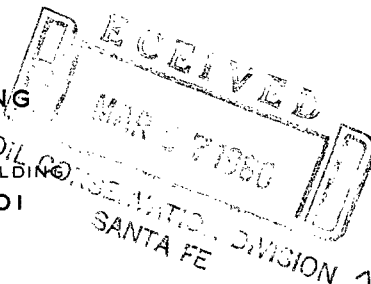


HENRY ENGINEERING
Petroleum Engineers
807 FIRST NATIONAL BANK BUILDING
MIDLAND, TEXAS 79701



March 24, 1980

NSL-1175
Rule 104 F
4-16-80

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamets

Re: Application for Non-Standard
Location: David Fasken
Maralo State No. 1
Sec. 18, T-24-S, R-25-E
Eddy County, New Mexico

2030 N 1060 W

W/2 dedication Morrow

Gentlemen:


In support of your request for a plat showing ownership of leases offsetting our client's application, we are enclosing a portion of West Eddy County Ownership Map. The lease and fee information was posted February 23, 1980 and the well information as of March 24, 1980.

Based upon this information, we are today notifying offset operators, El Paso Natural Gas Co. and Texas Oil & Gas Corporation, by CERTIFIED MAIL of our client's intention to drill the subject well, and are also requesting that they forward to you a waiver. Maralo, Inc. is a working interest owner in the subject well, therefore, we have not requested a waiver from them. Their approval of the working interest unit should be tantamount to approval of the non-standard location due to terrain.

If you have any questions or need any additional information, please telephone the undersigned at 915-683-1893 so that we can expedite approval of David Fasken's application. We have a short fuse due to rig availability.

Yours very truly,

HENRY ENGINEERING


Robert H. Angevine

RHA:vcz
Encls.

HENRY ENGINEERING
Petroleum Engineers
807 FIRST NATIONAL BANK BUILDING
MIDLAND, TEXAS 79701

March 17, 1980

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

Re: Application to Drill
Unorthodox Location
David Fasken
Maralo State No. 1
2030' FNL and 1060' FWL
Sec. 18, T-24-S, R-25-E
Eddy Co., New Mexico

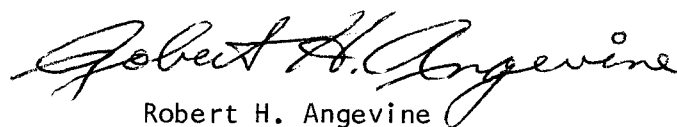
Gentlemen:

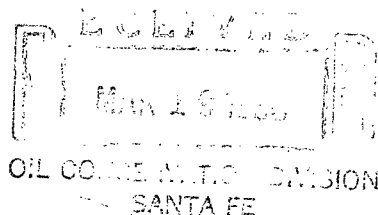
On behalf of our client, David Fasken, enclosed is application to drill the subject well, and a request for administrative approval of an unorthodox location based upon terrain. Please refer to a part of U.S.G.S. quadrangle map, Carlsbad Caverns East. The proposed location is a suitable drill site large enough to accommodate the drilling operation.

We are notifying the offset operators, Amoco Production Co. and W. A. Moncrief, Jr., by CERTIFIED MAIL of our client's intention to drill the subject well, and also requesting that they forward to you a waiver of any objection to the proposed location.

Yours very truly,

HENRY ENGINEERING


Robert H. Angevine



RHA:vcz
Encl.

cc: NMOCC, Artesia
Amoco Production Co.
W. A. Moncrief, Jr.

NO. OF COPIES RECEIVED	
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SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. L-4502

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

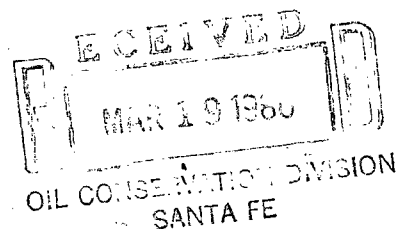
1a. Type of Work b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name	
2. Name of Operator DAVID FASKEN		SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name Maralo State	
3. Address of Operator 608 First National Bank Building, Midland, TX 79701				9. Well No. 1	
4. Location of Well UNIT LETTER E LOCATED 2030 FEET FROM THE North LINE AND 1060 FEET FROM THE West LINE OF SEC. 18 TWP. 24-S RGE. 25-E NMPM				10. Field and Pool, or Wildcat Wildcat	
				12. County Eddy	
		19. Proposed Depth 11,300'		19A. Formation Morrow	
				20. Rotary or C.T. Rotary	
21. Elevations (Show whether DF, RT, etc.) 4359.8 Gr.		21A. Kind & Status Plug. Bond Statewide		22. Approx. Date Work will start. April 7, 1980	

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48	300'	350	Circulate
12-1/4"	8-5/8"	24 & 32	3000'	1100	Circulate
7-7/8"	4-1/2"	11.60 & 13.50	11300'	800'	8000'

Please refer to attached Drilling & Completion Procedure.



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Robert H. Angevine Title Robert H. Angevine, Agent Date 3-17-80
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 1-17
Supersedes L-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

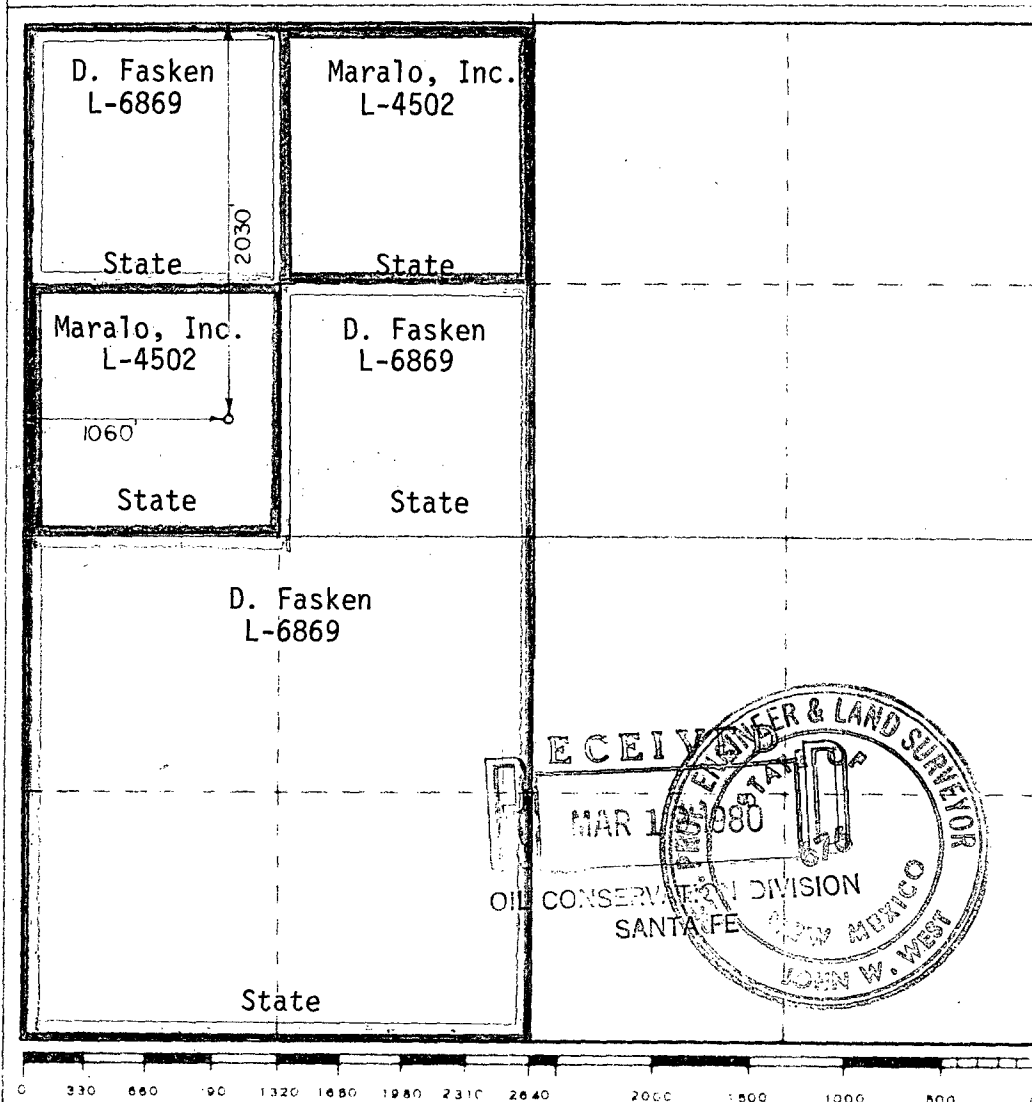
Operator David Fasken			Lease Maralo State			Well No. 1		
Unit Letter E	Section 18	Township 24 South	Range 25 East	County Eddy				
Actual Well Location of Well:								
2030 feet from the North line and			1060 feet from the West line					
Ground Level Elev. 4359.8		Producing Formation Morrow		Pool Wildcat		Indicated Acreage 320		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? **Working interest unit w/D. Fasken as operator.**

☒ Yes ☐ No If answer is "yes" type of consolidation **Communitization**

If answer is "no" list the owners and tract descriptions which have actually been consolidated (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Robert H. Angevine
Agent

Robert H. Angevine

Agent

DAVID FASKEN

Date

3-17-80

3-17-80

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

3-11-1980

Registered Professional Engineer and Land Surveyor

John W. West

Certificate No. **JOHN W. WEST 878**
PATRICK A. ROMERO 8883
Ronald J. Eidson 3239

RECOMMENDED DRILLING & COMPLETION PROCEDURE

A.F.E. NO. 451

David Fasken ----- MARALO STATE NO. 1 ----- Eddy County, New Mexico

1. Drill 17-1/2" hole to 300' with spud mud.
2. Set 13-3/8" casing at 300', cement to surface and install 12" x 3000 psi W.P. casinghead and B.O.P. stack. (Estimate 250 sxs Halliburton Lite w/1/4# Flocele per sack and 2% CaCl plus 100 sxs Class "C" with 2% CaCl.)
3. Drill 12-1/4" hole to 3000' with fresh water, control seepage with paper. Dry drill if complete loss of returns is encountered.
4. A - Set and cement 8-5/8" casing at 3000' with sufficient cement to circulate. (Estimate 900 sxs Halliburton Lite with 1/4# Flocele per sack, slurry weight 12.8#/gal. plus 200 sxs Class "C" with 2% CaCl, slurry weight 14.8#/gal.) W.O.C. 18 hours. If cement does not circulate, run temperature survey and stage cement outside pumped through 1" tubing and/or fill up with ready mix concrete - 6 sxs mix with pea gravel aggregate. Install 12" - 3000# W.P. x 10" - 3000# W.P. spool with secondary seal, bit guide, B.O.P.'s, Hydril and choke manifold.

B - It may be necessary to two-stage cement the 8-5/8" casing. This will depend upon the depth loss of circulation is encountered and the static fluid level. Cement volumes will be determined from the conditions observed while drilling the 12-1/4" hole.
5. On or before 7500' test 8-5/8" casing to 2200 psig and test B.O.P.'s, choke manifold and all wellhead valves to 3000 psig and Hydril to 1500 psig.
6. Install PVT, flow line sensor, and rotating head on or before 7500', and connect mud-gas separator.
7. Drill 7-7/8" hole to estimated T.D. of 11,300' with fresh water to 7500'. Control seepage with paper and P_h at 11.0 with lime.
8. At 7500' add potash to 4% KCl concentration, increase viscosity with salt water gel as required to maintain good hole conditions. Decrease water loss as necessary with salt water C.M.C. and starch. At top of Morrow reduce water loss to 10 cc and maintain to T.D.
9. Drill stem test all shows (test each Morrow Sand separately).
10. Run logs (combination CNL-FDC w/Gamma Ray, DLL and Dip Meter).
11. Set and cement 4-1/2" production casing (resin coated and centralized through pay zones) with 800 sxs Class "H" cement with 3.0# KCl per sx and 0.8% Halad-22 plus 0.4% CFR-2.
12. Install 10" - 3000 psi W.P. x 6" - 3000 psi W.P. tubinghead and Christmas tree.
13. Run temperature survey to locate cement top.
14. Rig down and move out rotary tools.
15. Set mast anchors and move in pulling unit.

Recommended Drilling & Completion Procedure
A.F.E. No. 451
David Fasken
Maralo State No. 1
Eddy County, New Mexico

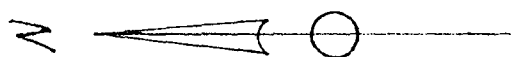
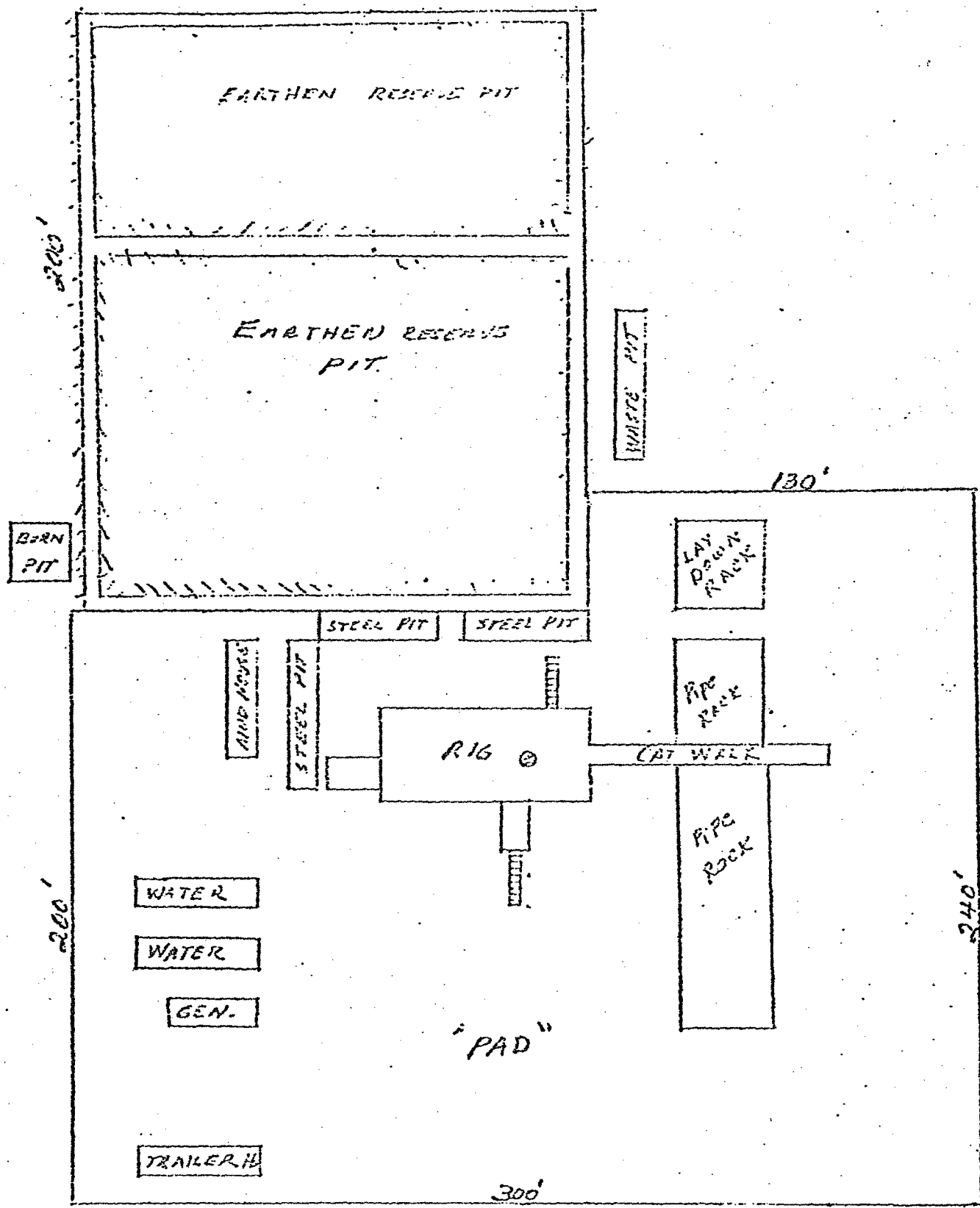
16. Pressure test casing and Christmas tree to 3000 psig.
17. Run 2-3/8" tubing N-80, EUE 8RD c/w AB Modified couplings, and packer.
18. Displace fluid in well with 3% KCl water containing oxygen scavenger and corrosion inhibitor.
19. Set packer and install Christmas tree.
20. Swab fluid level to 9500' in tubing.
21. Run Gamma Ray correlation log and perforate Morrow for production.
22. Test well.
23. Stimulate as needed - acid and/or frac.
24. Clean up "load fluid" and test.
25. Run C.A.O.F.P. and pressure build up.
26. Install surface equipment.

RECOMMENDED CASING PROGRAM

A.F.E. NO. 451

David Fasken ----- MARALO STATE NO. 1 ----- Eddy County, New Mexico

	<u>Footage</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	<u>Thread</u>
Surface Casing	300'	13-3/8"	48.00#/Ft.	H-40	ST&C
Intermediate Casing	2,500'	8-5/8"	24#/Ft.	J-55	ST&C
	500'	8-5/8"	32#/Ft.	J-55	ST&C
	<u>3,000'</u>				
Oil String Casing	1,900'	4-1/2"	11.60#/Ft.	N-80	Buttress
	8,400'	4-1/2"	11.60#/Ft.	N-80	LT&C
	1,000'	4-1/2"	13.50#/Ft.	N-80	LT&C
	<u>11,300'</u>				



HENRY ENGINEERING
MIDLAND, TEXAS

RIG & WELL SITE PLAT

HENRY ENGINEERING

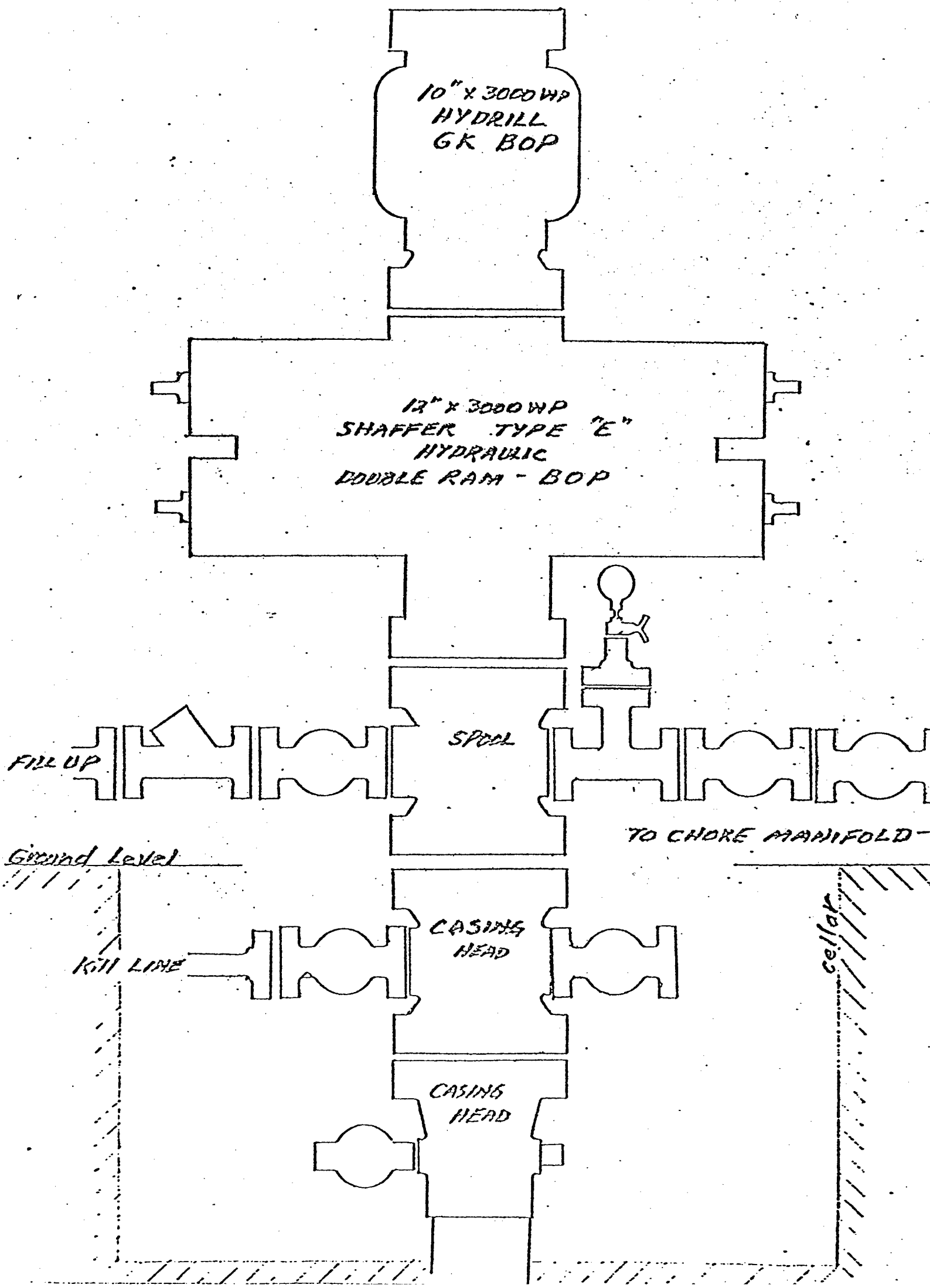
SUBJECT: BLOWOUT PREVENTER

FILE: _____

STACK

DATE: _____

ENGINEERING MEMORANDUM



HENRY ENGINEERING
Petroleum Engineers
807 FIRST NATIONAL BANK BUILDING
MIDLAND, TEXAS 79701

March 17, 1980

Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

Attention: Mr. S. J. Okerson

Gentlemen:

We are today filing for administrative approval by the State of New Mexico, Energy and Minerals Department, Oil Conservation Division, of an unorthodox location for the David Fasken Maralo State No. 1, 2030' FNL and 1060' FWL of Section 18, T-24-S, R-25-E, Eddy County, New Mexico.

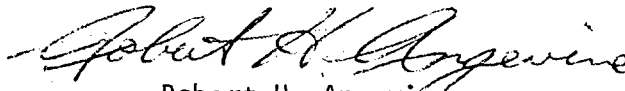
In your capacity as an offset operator, we are asking that you submit a waiver to the State of New Mexico, Energy and Minerals Department, Oil Conservation Division, Attention: Mr. Joe Ramey, P.O. Box 2088, Santa Fe, New Mexico 87501.

This unorthodox location is necessitated by the topography in this drilling and spacing unit as you can realize from a brief look at a portion of Carlsbad Caverns, East, U.S.G.S. topographic map.

We are enclosing a prepared waiver and request that you sign and forward it, or one of your own composition, to Mr. Ramey.

Yours very truly,

HENRY ENGINEERING


Robert H. Angevine

RHA:vcz
Encl.

cc: Amoco Production Company
Box 68
Hobbs, New Mexico 88240
Attention: Mr. V. E. Staley

VIA CERTIFIED MAIL

March 17, 1980

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

Re: Waiver for
Unorthodox Location
David Fasken
Maralo State No. 1
Eddy County, New Mexico

Gentlemen:

We have been advised of the necessity for the location of the subject well 2030' from the north line and 1060' from the west line of Section 18, T-24-S, R-25-E, Eddy County, New Mexico, due to terrain to obtain a suitable drill site.

We have no objection to the drilling of this well at this location.

Yours very truly,

AMOCO PRODUCTION COMPANY

By _____

HENRY ENGINEERING
Petroleum Engineers
807 FIRST NATIONAL BANK BUILDING
MIDLAND, TEXAS 79701

March 17, 1980

W. A. Moncrief
400 Metro Building
Midland, Texas 79701

Attention: Mr. Dewey E. Thornton

Gentlemen:

We are today filing for administrative approval by the State of New Mexico, Energy and Minerals Department, Oil Conservation Division, of an unorthodox location for the David Fasken Maralo State No. 1, 2030' FNL and 1060' FWL of Section 18, T-24-S, R-25-E, Eddy County, New Mexico.

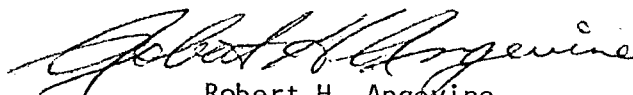
In your capacity as an offset operator, we are asking that you submit a waiver to the State of New Mexico, Energy and Minerals Department, Oil Conservation Division, Attention: Mr. Joe Ramey, P.O. Box 2088, Santa Fe, New Mexico 87501.

This unorthodox location is necessitated by the topography in this drilling and spacing unit as you can realize from a brief look at a portion of Carlsbad Caverns, East, U.S.G.S. topographic map.

We are enclosing a prepared waiver and request that you sign and forward it, or one of your own composition, to Mr. Ramey.

Yours very truly,

HENRY ENGINEERING


Robert H. Angevine

RHA:vcz
Encl.

VIA CERTIFIED MAIL

March 17, 1980

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

Re: Waiver for
Unorthodox Location
David Fasken
Maralo State No. 1
Eddy County, New Mexico

Gentlemen:

We have been advised of the necessity for the location of the subject well 2030' from the north line and 1060' from the west line of Section 18, T-24-S, R-25-E, Eddy County, New Mexico, due to terrain to obtain a suitable drill site.

We have no objection to the drilling of this well at this location.

Yours very truly,

W. A. MONCRIEF

By _____

OIL CONSERVATION COMMISSION
Antonia DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE 3-26-80

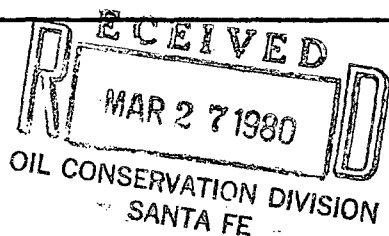
RE: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 3-17-80
for the David Fasker Marble State #1- E 18-24-25
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

approval upon receipt of waivers



Yours very truly,

W. A. Gussett



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Henry Engineering
807 First National Bank Building
Midland, Texas 79701

Re: Application for Non-Standard
Location: David Fasken, Maralo
State Well No. 1, Sec. 18, T-24-S,
R-25-E, Eddy County, New Mexico

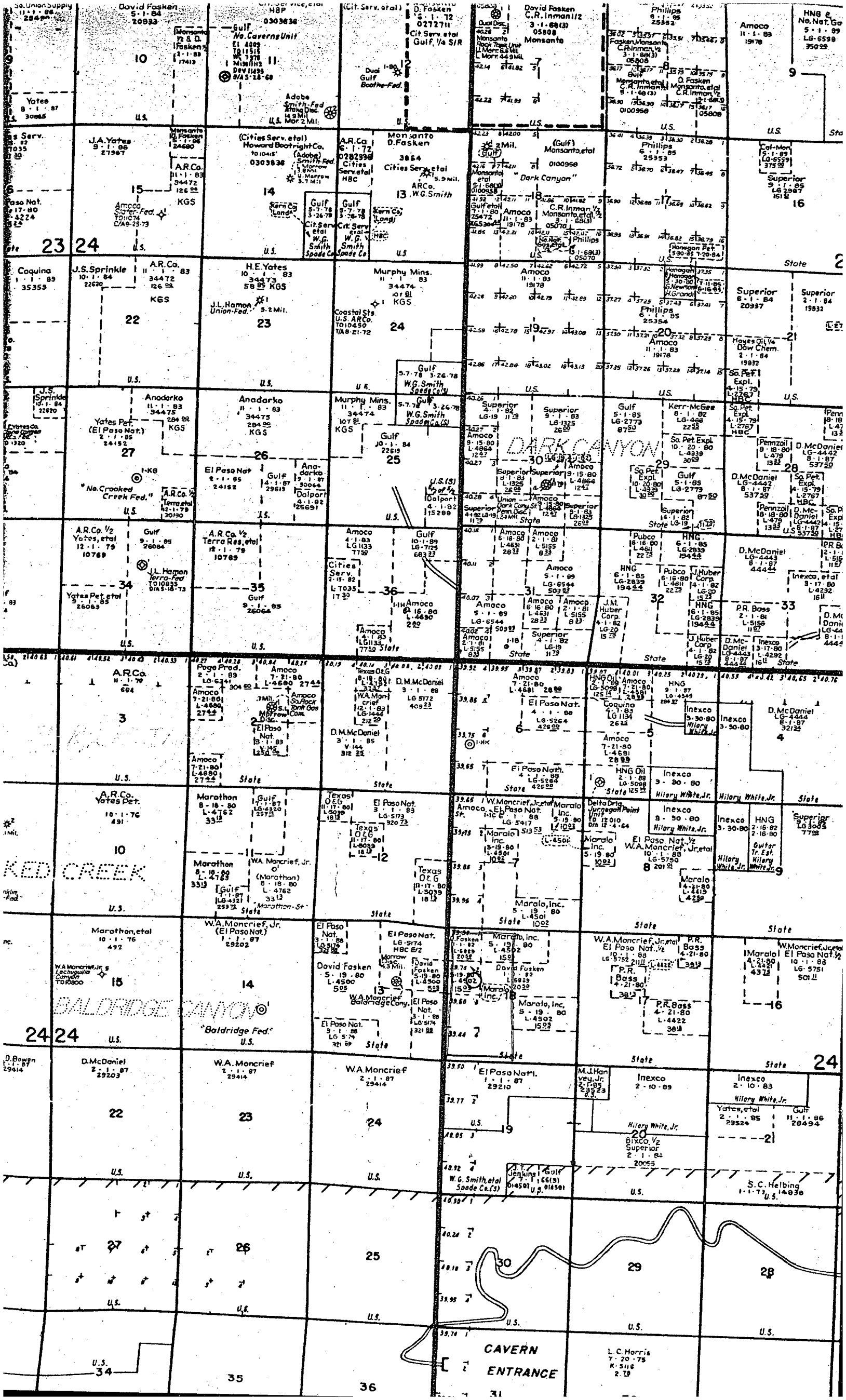
We may not process the subject application for non-standard location until the required information or plats checked below (is) (are) submitted.

- ☒ A plat must be submitted clearly showing the ownership of the offsetting leases.
- ☐ A statement must be submitted that offset owners have been notified of the application by certified mail.
- ☐ A plat must be submitted fully identifying the topography necessitating the non-standard location.
- ☐ Other:

Very truly yours,

R. L. STAMETS
Technical Support Chief

RLS/dr



HENRY ENGINEERING
Petroleum Engineers
807 FIRST NATIONAL BANK BUILDING
MIDLAND, TEXAS 79701

March 24, 1980

El Paso Natural Gas Co.
1800 Wilco Building
Midland, Texas 79701

Attention: Mr. A. J. Dudenhoeffer

Gentlemen:

Under date of March 17, 1980 we filed for administrative approval by the State of New Mexico, Energy and Minerals Department, Oil Conservation Division, of an unorthodox location for the David Fasken Maralo State No. 1, 2030' FNL and 1060' FWL of Section 18, T-24-S, R-25-E, Eddy County, New Mexico.

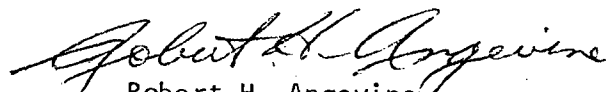
In your capacity as an offset operator, we are asking that you submit a waiver to the State of New Mexico, Energy and Minerals Department, Oil Conservation Division, Attention: Mr. Joe Ramey, P. O. Box 2088, Santa Fe, New Mexico 87501.

This unorthodox location is necessitated by the topography in this drilling and spacing unit as you can realize from a brief look at a portion of Carlsbad Caverns, East, U.S.G.S. topographic map.

We are enclosing a prepared waiver and request that you sign and forward it, or one of your own composition, to Mr. Ramey.

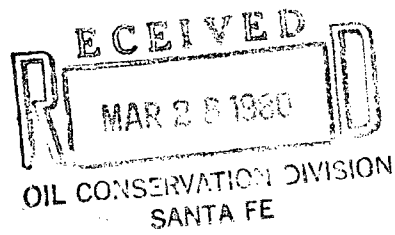
Yours very truly,

HENRY ENGINEERING


Robert H. Angevine

RHA:vcz
Encls.

VIA CERTIFIED MAIL



March 24, 1980

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

Re: Waiver for
Unorthodox Location
David Fasken
Maralo State No. 1
Eddy County, New Mexico

Gentlemen:

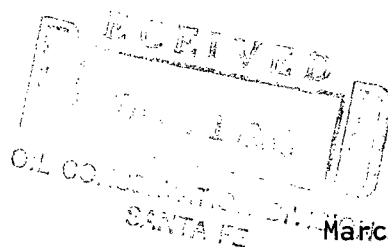
We have been advised of the necessity for the location of the subject well 2030' from the north line and 1060' from the west line of Section 18, T-24-S, R-25-E, Eddy County, New Mexico, due to terrain to obtain a suitable drill site.

We have no objection to the drilling of this well at this location.

Yours very truly,

EL PASO NATURAL GAS CO.

By 



March 24, 1980

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

Re: Waiver for
Unorthodox Location
David Fasken
Maralo State No. 1
Eddy County, New Mexico

Gentlemen:

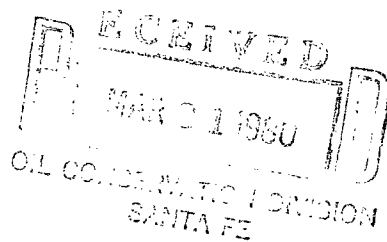
We have been advised of the necessity for the location of the subject well 2030' from the north line and 1060' from the west line of Section 18, T-24-S, R-25-E, Eddy County, New Mexico, due to terrain to obtain a suitable drill site.

We have no objection to the drilling of this well at this location.

Yours very truly,

TEXAS OIL & GAS CORPORATION

By L. L. Flaten



Amoco Production Company

Houston Region
500 Jefferson Building
Post Office Box 3092
Houston, Texas 77001

J. R. Barnett
Regional Engineering
Manager

March 25, 1980

File: JCA-986.51NM-373

Re: Request for Unorthodox Location
Henry Engineering
David Fasken Maralo State No. 1
Eddy County, New Mexico

Mr. Joe D. Ramey, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Dear Mr. Ramey:

Amoco Production Company has been duly notified of Henry Engineering's request for administrative approval of an unorthodox location for the David Fasken Maralo State No. 1.

As an offset operator we have no objection to the drilling of the subject well at the following location:

2030' FNL & 1060' FWL, Sec. 18, T-24-S,
R-25-E, Eddy County, New Mexico.

Yours very truly,

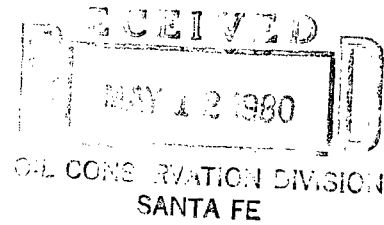
J. R. Barnett
MLC

MLC/rw

cc: Henry Engineering
807 First National Bank Building
Midland, TX 79701

File HSL-1175

May 8, 1980



State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

Re: Waiver for
Unorthodox Location
David Fasken
Maralo State No. 1-Y
Eddy County, New Mexico

Gentlemen:

We have been advised of the necessity for the location of the subject well 2030' from the north line and 1085' from the west line of Section 18, T-24-S, R-25-E, Eddy County, New Mexico, due to terrain to obtain a suitable drill site.

We have no objection to the drilling of this well at this location.

Yours very truly,

W. A. MONCRIEF, JR.

By *Reuben E. Thornton*