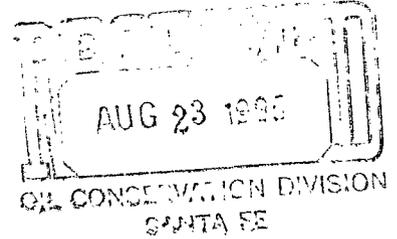




**JERRY W. LONG**  
CONSULTANT

May 2, 1985



*NSC-2050*

STALLWORTH OIL & GAS, INC.  
Box 479, 900 Hartford Bldg.  
Dallas, Texas 75221

Re: Waiver of Objection to Unorthodox Location  
SPENCE ENERGY COMPANY  
NO.1 STATE "14"  
SW/4 SW/4 SEC.14-9S-32E, Lea County, New Mexico

Gentlemen:

Please consider the enclosed referenced application.

If you offer no objection to the application, we would appreciate your execution of a waiver of objection to it in the space below. Please send one executed copy to the NMOCD in the enclosed envelope, returning one executed copy to me and retaining one copy for your files.

We would appreciate a timely response to this request.

Sincerely yours,

JERRY W. LONG  
Agent for: SPENCE ENERGY COMPANY

JWL/bl1

The undersigned has no objection to the application for an unorthodox location for the referenced well.

STALLWORTH OIL & GAS, INC.

by: *Jerry L. Daniel*  
*Vice President*

Date: *8-16-85*

*Release Immed.  
Waiver are in.*

*By DEC*

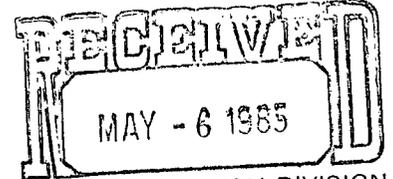


Santa Fe Energy Company

500 West Illinois  
Midland, Texas 79701  
915/687-3551

*NSL-2050  
RULE-104F(E)*

May 1, 1985



OIL CONSERVATION DIVISION  
SANTA FE

*Underground South Culebra  
Narrow Pool*

*320-acre -  
S/2 Sec. 23.*

Mr. Richard L. Stamets  
Technical Support Chief  
Oil Conservation Division  
Energy and Minerals Department  
State of New Mexico  
P. O. Box 1088  
Santa Fe, New Mexico 87501

Re: Ferguson No. 1  
Sec. 23, T-22S, R-27E  
Eddy County, New Mexico

Dear Sir:

Santa Fe Energy Company is requesting administrative approval for an unorthodox location due to topographical reasons.

Please find enclosed seven (7) copies of the following:

1. Letter requesting administrative approval of unorthodox location
2. Plat showing acreage dedicated
3. Form C-101
4. Form C-102

Six (6) copies of the above have been sent to the District Office in Artesia.

Sincerely,

*Billie Hood*

Billie Hood  
Senior Production Clerk

BH:dz-381

Enclosures



# Santa Fe Energy Company



500 West Illinois  
Midland, Texas 79701  
915/687-3551

May 1, 1985

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

Re: Ferguson No. 1  
Sec. 23, T-22S, R-27E  
Eddy County, New Mexico

Gentlemen:

Santa Fe Energy Company requests administrative approval of an unorthodox location for a 12,400±' Morrow test to be drilled 1550' FSL, 1980' FEL, Section 23, T-22S, R-27E, Eddy County, New Mexico.

The reasons for the request are topographical due to concrete irrigation ditches.

All offset operators have been notified by certified or registered mail of this request for administrative approval of an unorthodox location.

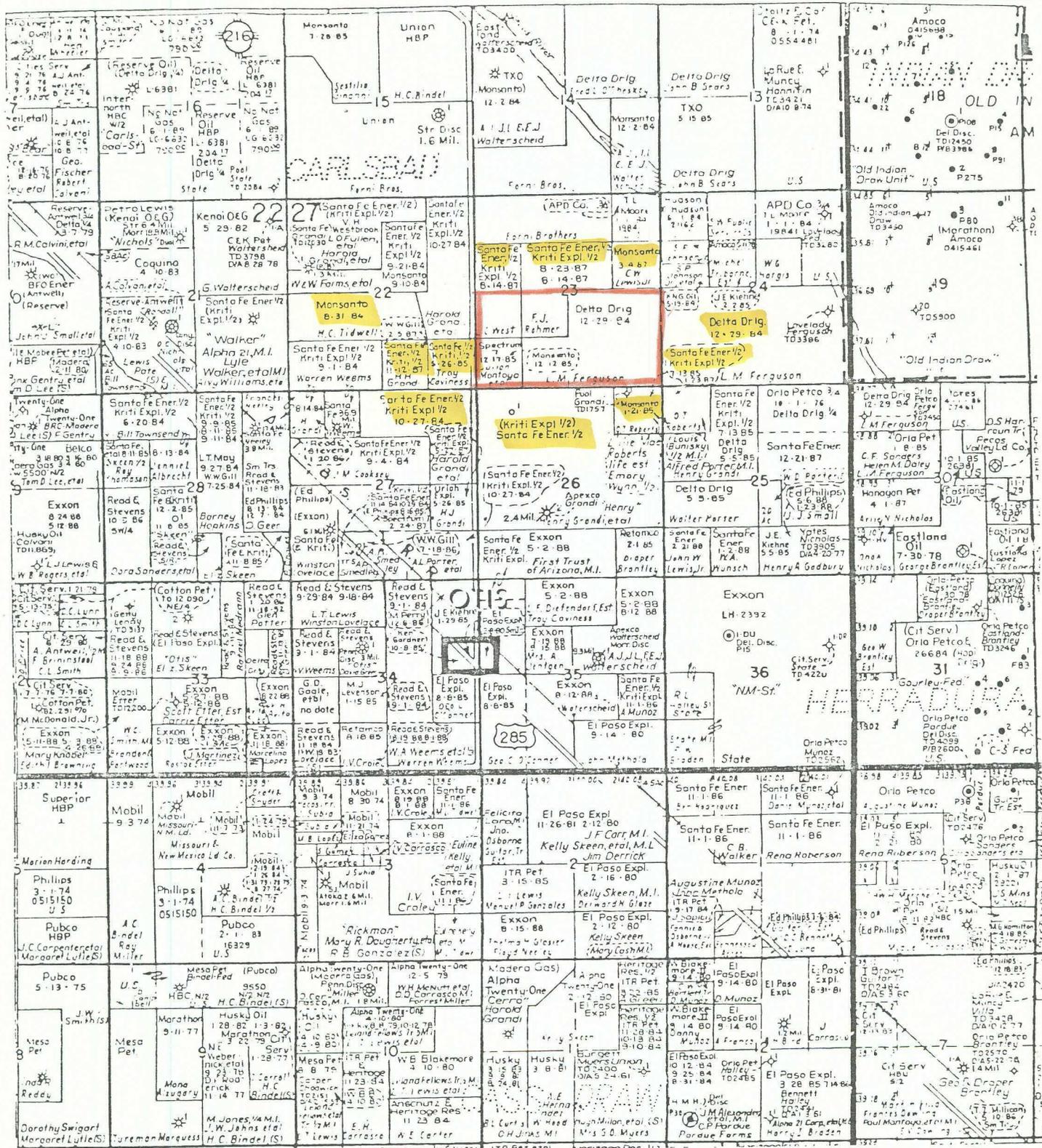
Sincerely,

Billie Hood  
Senior Production Clerk

BH:dz-382

Enclosures





**SANTA FE ENERGY COMPANY**  
 PERMIAN BASIN DISTRICT  
 MIDLAND, TEXAS

**CARLSBAD AREA (16)**  
 Eddy Co., New Mexico

**INDIAN DRAW PROSPECT**  
 (NM-23)

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

5A. Indicate Type of Lease  
STATE  FEDERAL

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work  
 b. Type of Well DRILL  DEEPEN  PLUG BACK   
 OIL WELL  GAS WELL  OTHER  SINGLE ZONE  MULTIPLE ZONE

2. Name of Operator  
Santa Fe Energy Company

3. Address of Operator  
500 W. Illinois, Suite 500, Midland, Texas 79701

4. Location of Well  
 UNIT LETTER J LOCATED 1550' FEET FROM THE South LINE  
 AND 1980' FEET FROM THE East LINE OF SEC. 23 TWP. 22S RGE. 27E NMPM

7. Unit Agreement Name

8. Farm or Lease Name  
Ferguson

9. Well No.  
1

10. Field and Pool, or Wildcat  
Undesignated S. Carlsbad

12. County  
Eddy

19. Proposed Depth  
12,400

19A. Formation  
Morrow

20. Rotary or C.T.  
Rotary

21. Elevations (show whether DF, RT, etc.)  
3081.8 GL

21A. Kind & Status Plug. Bond  
blanket - current

21B. Drilling Contractor  
To be determined

22. Approx. Date Work will start  
June 1, 1985

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"	48.0	200	210	Surface
12-1/4"	10-3/4"	45.5	2200	540	Surface
9-1/2"	7-5/8"	26.40 & 29.70	9200	410	7200
6-1/2"	5"	18.0	8900-12,400	580	8900

Move on location. Drill 17-1/2" hole to 200'. Run and cement 13-3/8" casing. WOC until 500 psi compressive strength obtained (Option 2). Nipple up annular preventor. Test preventor and casing to 600 psi. Drill 12-1/4" hole to 2200'. Run and cement 10-3/4" casing. WOC until 500 psi compressive strength obtained. Nipple up 5000 psi BOP stack and choke manifold. Test to 1500 psi. Test casing to 1500 psi. Drill 9-1/2" hole to 9200'. Log. Run and cement 7-5/8" casing. WOC until 500 psi compressive strength obtained. Test BOP and choke manifold to 5000 psi. Drill 6-1/2" hole to 12,400'. Log. Run drillstem test if appropriate. Either plug and abandon or run and cement 5" liner.

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 Michael R. Burtin Title Sr. Drilling Engineer Date 4/30/85

(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 C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

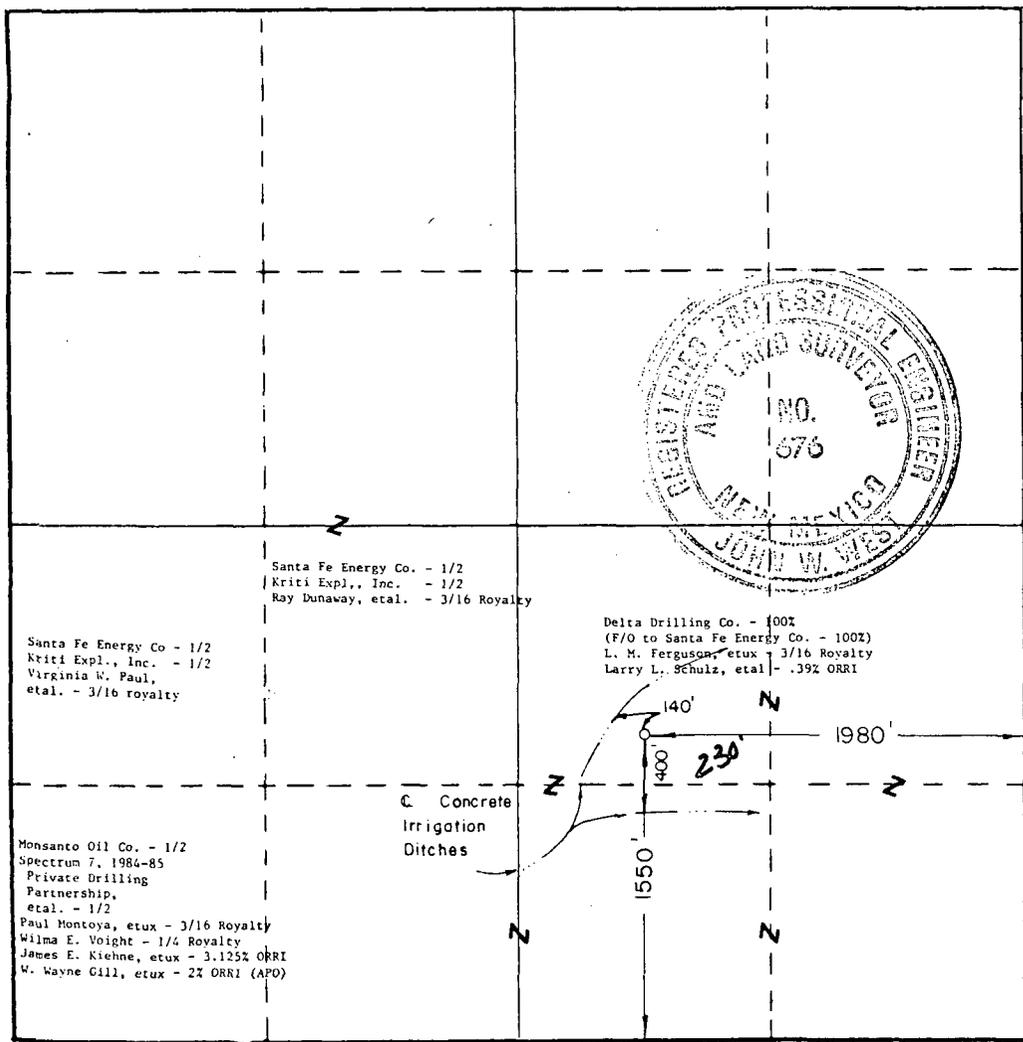
Operator SANTA FE ENERGY CO.		Lease FERGUSON		Well No. 1	
Unit Letter J	Section 23	Township 22S	Range 27E	County EDDY	
Actual Footage Location of Well: 1980 feet from the EAST line and 1550 feet from the SOUTH line					
Ground Level Elev. 3081.8	Producing Formation Morrow	Pool Undes. South Carlsbad		Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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?

Yes  No If answer is "yes," type of consolidation Designation of consolidated gas leasehold estate

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.

Mike Burton *M. Burton*

Name  
Sr. Drilling Engineer

Position  
Santa Fe Energy Company

Company  
5-1-85

Date

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  
4/25/85

Registered Professional Engineer and/or Land Surveyor

*John W. West*

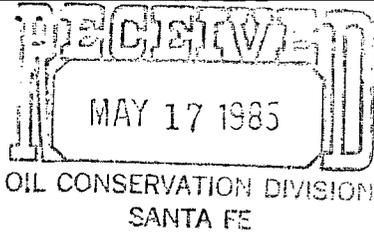
Certificate No. JOHN W. WEST, 676  
RONALD J. EIDSON, 3239

Santa Fe Energy Company

RETURN THIS COPY TO:  
SANTA FE ENERGY CO.



500 West Illinois  
Midland, Texas 79701  
915/687-3551



May 1, 1985

Re: OD-NM-617,008  
Ferguson #1  
Waiver Letter  
Eddy County, New Mexico

Union Oil Company of California  
500 North Marienfeld  
P.O. Box 671  
Midland, Texas 79701

ATTN: H. Rene Moulinet

Gentlemen:

This is to inform you of our Request for Administrative Approval of Santa Fe Energy Company's unorthodox location for a 12,300' Morrow test well, with secondary potential in the Strawn and Wolfcamp. The location of this Test will be 1550' FSL and 1980' FEL in Section 23, T-22-S, R-27-E, Eddy County, New Mexico, with the South Half (S/2) of said section to be the proration unit. (A Plat is attached for your convenience).

Santa Fe Energy Company would appreciate your responding to this waiver as quickly as possible. Currently our plans are to spud the well as soon as the paperwork is in order. Please send one executed copy to:

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

and return the copy so marked to us.

Yours truly,

*Patrick J. Tower*  
Patrick J. Tower  
Senior Landman

PJT/efw206-3  
1 Encl a/s

BY SIGNATURE HERETO, WE HAVE NO OBJECTION TO THE GRANTING OF A PERMIT TO DRILL AT THE ABOVE SPECIFIED LOCATION FOR THE ABOVE SPECIFIED FORMATIONS AND HEREBY WAIVE OBJECTION AND NOTICE OF HEARING ON THIS APPLICATION.

BY *Byrne W. Strong* Date *5/13/85*

Title: *District Land Manager*  
Company: *Union Oil Company of Calif.*

cc: Bill Schaefer - Exploration Manager  
Vernon D. Dyer - District Landman  
Hugh L. Boyt - Production Manager



Release May 26, 1985

RECEIVED  
LAND OIL

MAY 02 1985

By DDC



Santa Fe Energy Company

500 West Illinois  
Midland, Texas 79701  
915/687-3551

May 1, 1985

Re: OD-NM-617,008  
Ferguson #1  
Waiver Letter  
Eddy County, New Mexico

Monsanto Oil Company  
1300 One First City Center  
500 West Texas Street  
Midland, Texas 79701

ATTN: Marianne Giles

Gentlemen:

RECEIVED  
MAY - 6 1985  
OIL CONSERVATION DIVISION  
SANTA FE

This is to inform you of our Request for Administrative Approval of Santa Fe Energy Company's unorthodox location for a 12,300' Morrow test well, with secondary potential in the Strawn and Wolfcamp. The location of this Test will be 1550' FSL and 1980' FEL in Section 23, T-22-S, R-27-E, Eddy County, New Mexico, with the South Half (S/2) of said section to be the proration unit. (A Plat is attached for your convenience).

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

and return the copy so marked to us.

Yours truly,

*Patrick J. Tower*  
Patrick J. Tower  
Senior Landman

PJT/efw206-2  
1 Encl a/s

BY SIGNATURE HERETO, WE HAVE NO OBJECTION TO THE GRANTING OF A PERMIT TO DRILL AT THE ABOVE SPECIFIED LOCATION FOR THE ABOVE SPECIFIED FORMATIONS AND HEREBY WAIVE OBJECTION AND NOTICE OF HEARING ON THIS APPLICATION.

BY *J. D. Cobb, Jr.* Date May 2, 1985  
J. D. COBB, JR.  
Title: Regional Exploration Manager  
Company: MONSANTO OIL COMPANY

cc: Bill Schaefer - Exploration Manager  
Vernon D. Dyer - District Landman  
Hugh L. Boyt - Production Manager



Santa Fe Energy Company



500 West Illinois  
Midland, Texas 79701  
915/687-3581

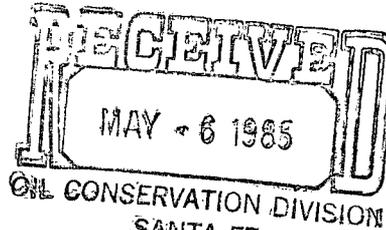
May 1, 1985

Re: OD-NM-617,008  
Ferguson #1  
Waiver Letter  
Eddy County, New Mexico

DeltaUS Corporation  
P.O. Box 3467  
Midland, Texas 79702

ATTN: Rod Woodard

Gentlemen:



This is to inform you of our Request for Administrative Approval of Santa Fe Energy Company's unorthodox location for a 12,300' Morrow test well, with secondary potential in the Strawn and Wolfcamp. The location of this Test will be 1550' FSL and 1980' FEL in Section 23, T-22-S, R-27-E, Eddy County, New Mexico, with the South Half (S/2) of said section to be the proration unit. (A Plat is attached for your convenience).

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State of New Mexico  
P.O. Box 2088  
Santa Fe, New Mexico 87501

and return the copy so marked to us.

Yours truly,

*Patrick J. Tower*  
Patrick J. Tower  
Senior Landman

PJT/efw206-1  
1 Encl a/s

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BY *[Signature]*

Date \_\_\_\_\_

Title:  
Company:

cc: Bill Schaefer - Exploration Manager  
Vernon D. Dyer - District Landman  
Hugh L. Boyt - Production Manager

