

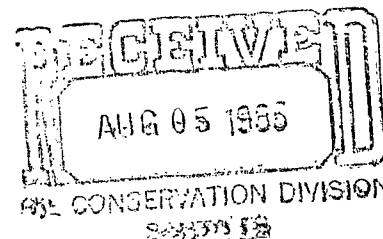
*Release Immediately
to offset waiver in*

B4 Dec

EXXON COMPANY, U.S.A.

POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

August 2, 1985



PRODUCTION DEPARTMENT
MIDCONTINENT DIVISION

*NSL-2118
RULE-104(FZ)*

Unorthodox Location
Squaw Federal #3
Section 1-T23S-R25E
Eddy County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

*Undesignated Sheep Draw
Narrow.
320 Acres dedication
w/2 Section 1*

Dear Mr. Stamets:

The BLM requested us to move our original location of 2130' FSL and 2160' FWL to 2479' FSL and 1880' FWL, therefore, Exxon Corporation requests administrative approval of this unorthodox location for the subject well based upon topographic conditions. This location is located nearer than 330' to the quarter-quarter section of the dedicated tract.

By copy (certified mail) of this letter, we are notifying all offset operators of our application to complete this well as an unorthodox location. If as an offset operator, you have no objections to this application, we request that you execute the attached waiver and forward a copy to Mr. Richard L. Stamets, Director, Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one copy to this office.

The offset operators as shown on the attached plat are:

✓ HNG Oil Company, P. O. Box 2267, Midland, Texas 79702
✓ Inter North, Incorporated, One Petroleum Center, Building 6, 3300 N. "A", Midland, Texas 79705 Attn: Glenda Howard

Please grant administrative approval to drill this well as an unorthodox location. If you need additional information, please call me at 915 686-4406.

Sincerely,

Melba Knippling

Melba Knippling, Unit Head
NGPA and Permits

MK:dc

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Exxon Corporation Attn: Melba Knipling

3. ADDRESS OF OPERATOR

Box 1600, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface

2479' FSL and 1880' FWL of Sec. (NE SW)

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

5 miles SW of Carlsbad

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

1880'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

4463' S to #1

16. NO. OF ACRES IN LEASE

1440.84

19. PROPOSED DEPTH

11,600

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3695' GR

22. APPROX. DATE WORK WILL START*

9-15-85

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
24"	20"	94.5	80'	50 sx to surface
17 1/2"	13 3/8"	54.5	1350'	500 sx to surface
12 1/4"	9 5/8"	40	2600'	500 sx to surface
8 1/2"	5"	15	11,600'	500 sx to 9000'

A request for an unorthodox location will be requested.

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Melba Knipling

TITLE

Melba Knipling

DATE

8-2-85

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Federal Lse. No. _____ All distances must be from the outer boundaries of the Section.

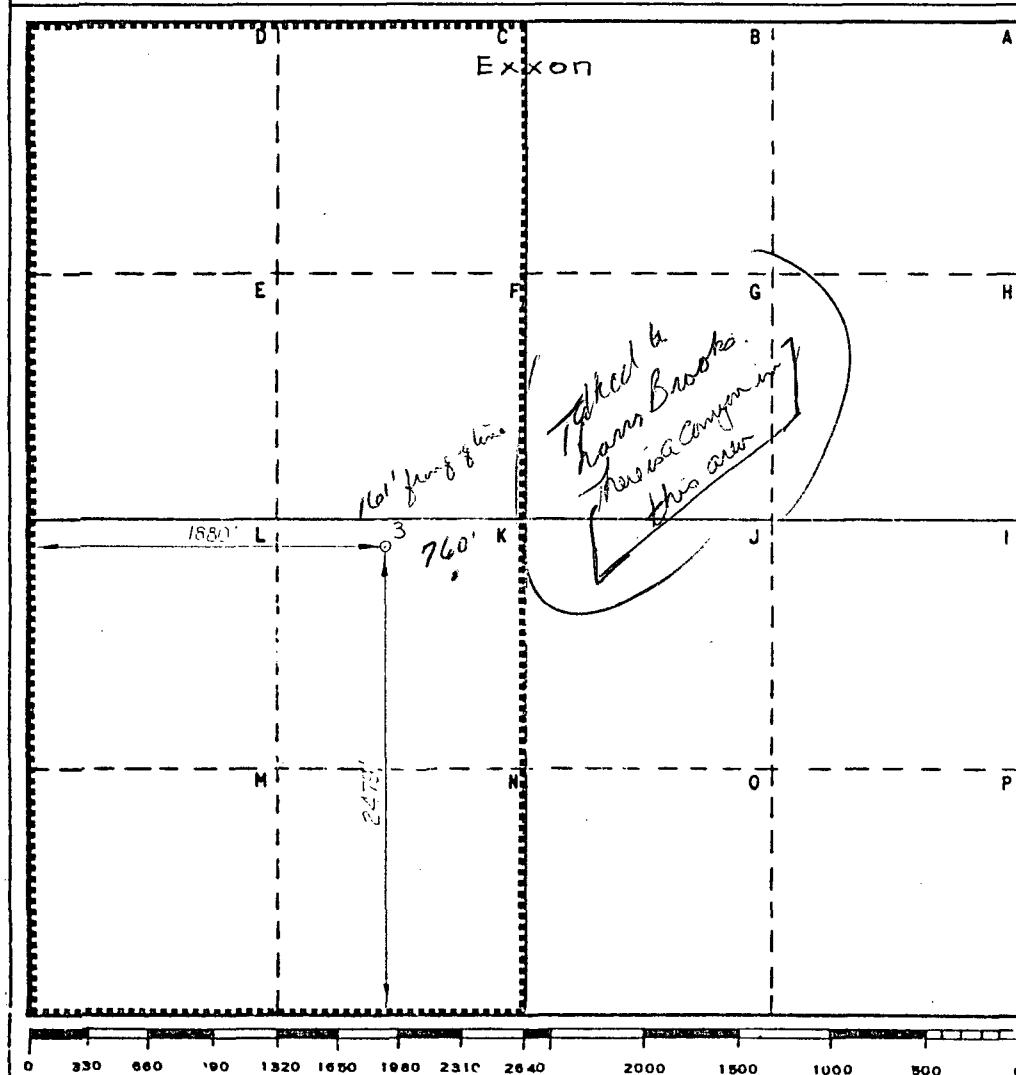
Operator Exxon Corporation			Lease SQUAW FEDERAL		Well No. 3
Unit Letter K	Section 1	Township 23 S	Range 25 E	County EDDY	
Actual Footage Location of Well: 2479' feet from the South line and 1880' feet from the West line					
Ground Level Elev. 3695	Producing Formation MORROW		Pool SHEEP DRAW-MORROW GAS(UND)		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 _____

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.

Name
Inelwa Knippling

Position
UNIT HEAD

Company Exxon Corporation
Box 1600 Midland, Texas

Date
8-2-85

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
7-25-85

Registered Professional Engineer
and/or Land Surveyor

Bruce R. Pennell

Certificate No.

#9062

5.0 Miles SW of Carlsbad, New Mexico

C.E. Sec. File No. W-A-8944

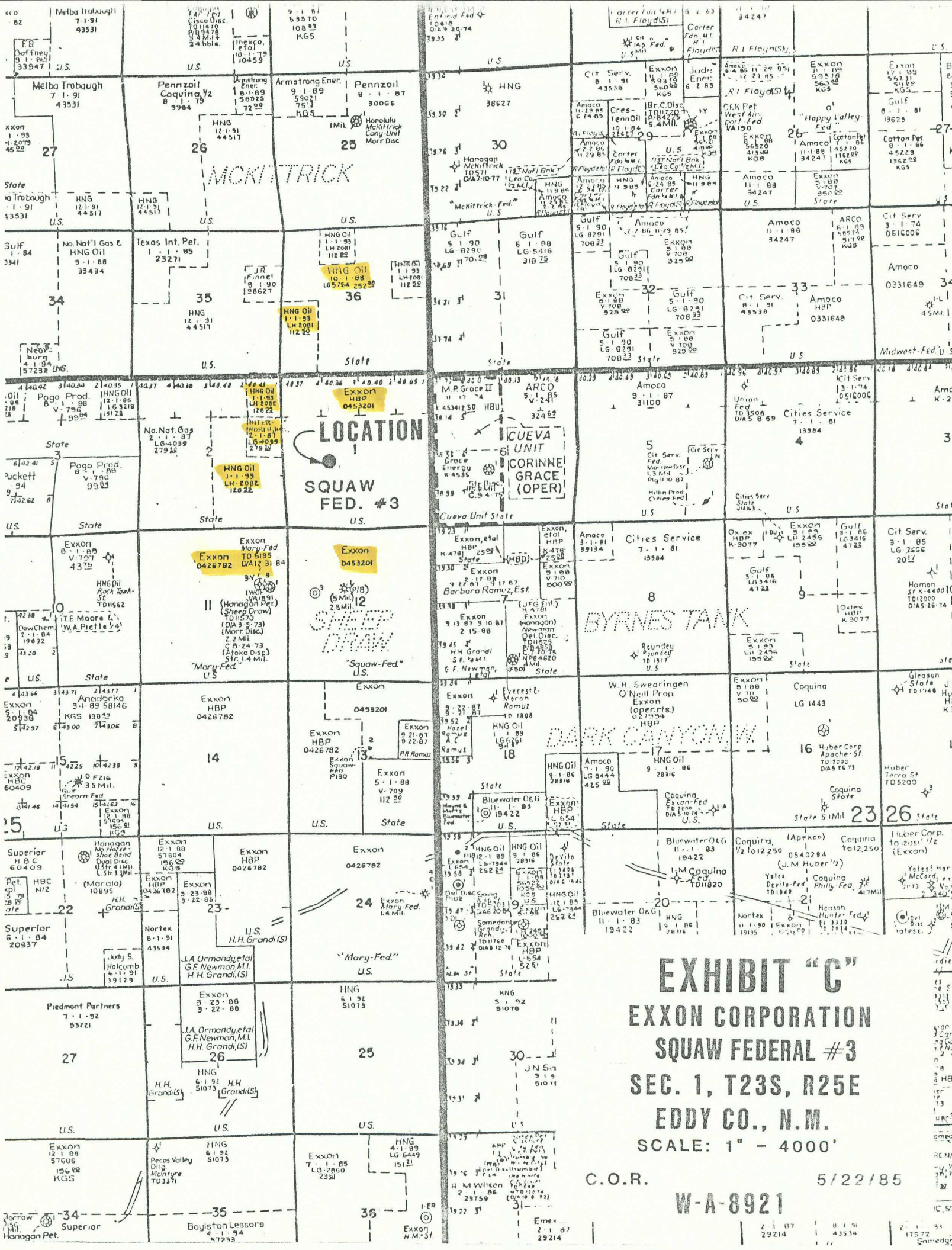


EXHIBIT "C"
EXXON CORPORATION
SQUAW FEDERAL #3
SEC. 1, T23S, R25E
EDDY CO., N.M.
SCALE: 1" = 4000'
C.O.R. 5/22/85
W-A-8921

W A I V E R

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

This is to advise that the undersigned has been given due notice that Exxon Corporation has made application for administrative approval of an unorthodox location for Squaw Federal, Well No. 3, Undesignated, Sheep Draw - Morrow Gas Field.

We hereby waive any objections to the granting of the application for the above well which will be located:

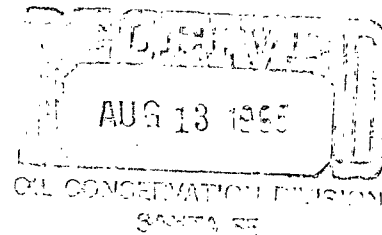
2479' FSL and 1880' FWL of Section 1-T23-R25E, Eddy County, New Mexico.

Executed this _____ day of _____ 1985.

Company _____

By _____

W A I V E R



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

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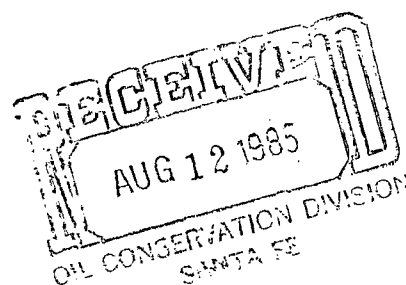
2479' FSL and 1880' FWL of Section 1-T23-R25E, Eddy County, New Mexico.

Executed this 8th day of August 1985.

Company INTERNORTH, INC.

By B. H. Morrison
B. H. Morrison

W A I V E R



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

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We hereby waive any objections to the granting of the application for the above well which will be located:

2479' FSL and 1880' FWL of Section 1-T23-R25E, Eddy County, New Mexico.

Executed this 9th day of August 1985.

Company J HNG Oil Co.
By Larry L. Cherryhomes