

9/15/08 DATE IN	SUSPENSE	Brooks ENGINEER	9/16/08 LOGGED IN	NSL TYPE	PKVR0826032397 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



Petrohawk Operating  
Company  
Stat A A/c 2 #97

## ADMINISTRATIVE APPLICATION CHECKLIST

5944

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS  
WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

## Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

## [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

## [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[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, and/or,

[F] ☐ Waivers are Attached

## [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Eddie W Seay

Print or Type Name

Eddie W Seay  
Signature

Agent

Title

seay04@leaco.net

e-mail Address

9/9/2008

Date

**PETROHAWK OPERATING CO**  
**STATE A A/C 2 # 97**

Petrohawk respectfully requests administrative approval of an unorthodox oil well location for the following well:

**State A A/C 2 # 97**

1304 FSL 2627 FEL, SW/4 SE/4 of  
Section 5, T22S, R36E, Unit Letter O  
Lea County, New Mexico

The proposed well will be an infill producer in the Eunice;Seven Rivers-Queen, South oil pool {Pool Code: 24130}, which is an oil pool spaced on 40 acres. Order number R-3200, dated March 14, 1967, found the wells in the project area were in an advanced state of depletion and should be classified as "stripper" wells and authorized the institution of the State Waterflood Project in the South Eunice Pool in Sections 5,8 and 9 of T22S, R36E. In 1983, NSL-1729-O approved the drilling of 6 non-standard location infill oil wells in Sections 8 and 9 of T22S, R36E. Since the late 1980's, 46 of the 56 wells on the State A A/C 2 lease have either been plugged back to the Jalmat Pool or have been plugged and abandoned. Of the 10 wells remaining in the South Eunice Pool only 2 oil wells remain active in Section 8 T22S, R 36E and 8 wells are TA'd.

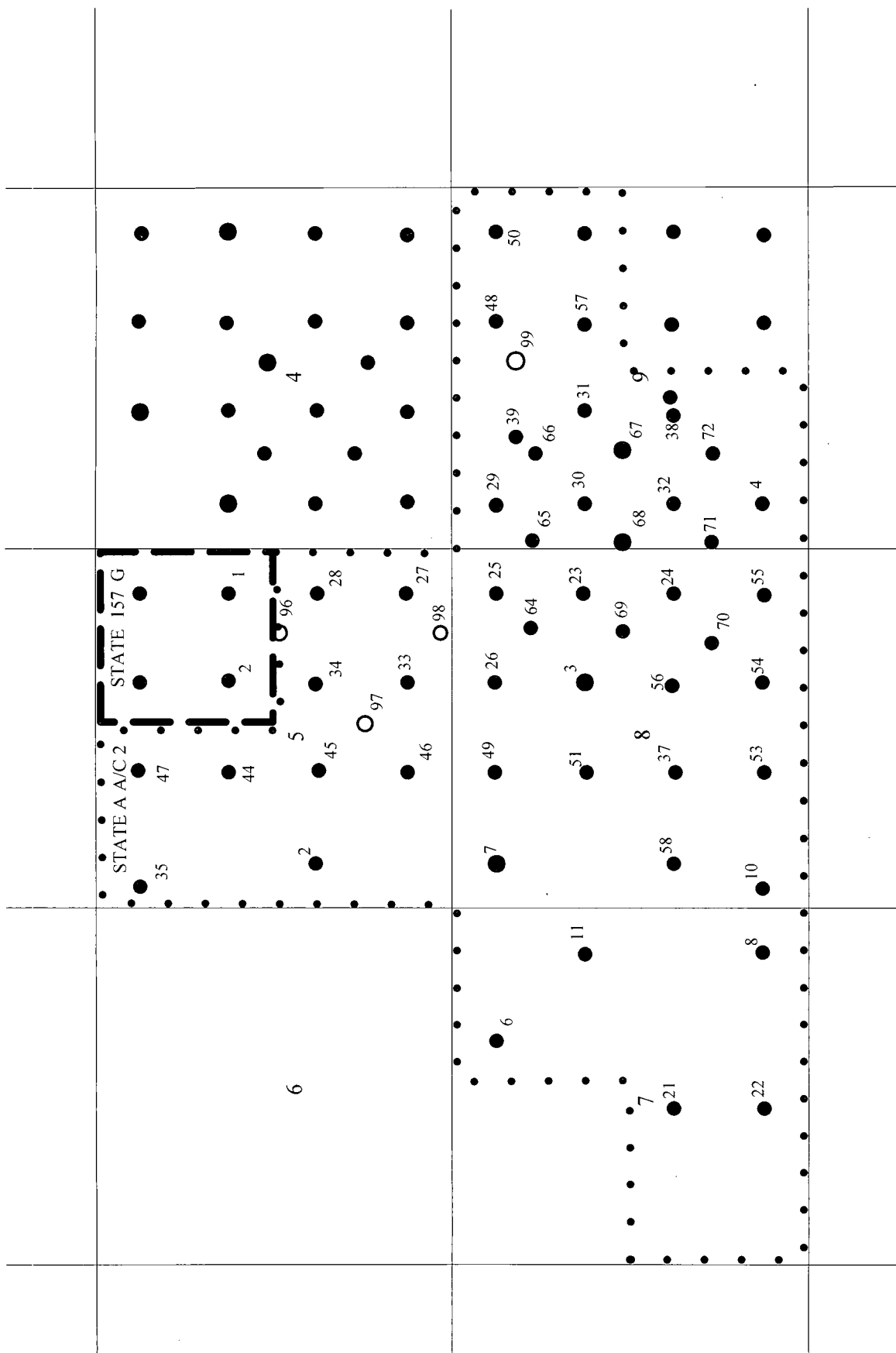
**Supporting Data**

1. Petrohawk Operating Company (Petrohawk) is the operator of the proposed State A A/C 2 # 97. The proposed total depth is 4000' in the lower Queen formation.
2. The completion will be in the Eunice;Seven Rivers-Queen, South oil pool and the proposed location will not encroach on any wells. The following adjacent Petrohawk wells in the South Eunice pool, State A A/C 2 # 33, 34, 45 and 46 have been plugged back to the Jalmat Gas Pool.
3. The cumulative production in the adjacent wells indicates a tight reservoir that where the wells are not usually capable of draining a 40 acre proration unit.

State A A/C 2 # 33 O-5-T22S-R36E Cum Oil 119554 Bls  
State A A/C 2 # 34 J-5-T22S-R36E Cum Oil 169781 Bls  
State A A/C 2 # 45 K-5-T22S-R36E Cum Oil 53104 Bls  
State A A/C 2 # 46 N-5-T22S-R36E Cum Oil 67945 Bls

4. The NW/4 and the S/2 of Section 5 is covered by a single state lease which has common royalty and working interest ownership. Petrohawk is the operator and 100% working interest of wells on the State A A/C 2 lease.

5. Approval of this application will allow for the recovery of oil and gas reserves which would not otherwise be recovered.



PETROHAWK OPERATING  
STATE A/C 2 AND STATE 157 G LEASE  
T 22 S R 36 E  
EUNICE;SEVEN RIVERS-QUEEN, SOUTH

STATE A A/C 2  
PETROHAWK OP

STATE 157 G  
PETROHAWK OP

45

STATUS: ZA  
CUM 53,104 BO

34

STATUS: ZA  
CUM 169,781 BO

97

46

STATUS: ZA  
CUM 67,945 BO

33

STATUS: ZA  
CUM 119,554 BO

Sec 5 T 22 S R 36 E

PETROHAWK OPERATING COMPANY  
EUNICE;SEVEN RIVERS-QUEEN, SOUTH OIL POOL

# State of New Mexico

## DISTRICT I

1304 N. FRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

## DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

## OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State LEase - 4 Copies

Fee LEase - 3 Copies

### WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025-39177</b>	Pool Code <b>24130</b>	Pool Name <b>EUNICE SEVEN RIVERS-QUEEN, SOUTH</b>
Property Code <b>302433</b>	Property Name <b>STATE A A/C 2</b>	Well Number <b>97</b>
OGRID No. <b>197849</b>	Operator Name <b>PETROHAWK OPERATING</b>	Elevation <b>3586'</b>

#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	5	22-S	36-E		1304	SOUTH	2627	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 or Infill	Consolidation Code	Order No.

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

LOT 4	LOT 3	LOT 2	LOT 1
<p>GEODETIC COORDINATES NAD 27 NME. SURFACE LOCATION</p> <p>Y=517012.5 N X=822911.7 E</p> <p>LAT.=32.417035° N LONG.=103.286926° W</p>			
<h4>OPERATOR CERTIFICATION</h4> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Eddie W. Seay</i> 9/9/08 Signature Date</p> <p>Eddie W Seay Printed Name</p>			
<h4>SURVEYOR CERTIFICATION</h4> <p>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 belief.</p> <p>DATE SURVEYED: JUNE 30, 2008 Signature &amp; Seal of Professional Surveyor: <i>Ronald J. Eidson</i> 9/10/08 Certificate No. GARY G. EIDSON 12641 RONALD J. EIDSON 3239</p>			