

7 Oil Reports and Gas Services, Inc.

P.O. BOX 755

HOBBS, NEW MEXICO 88241

PHONE NUMBERS  
393-2727 - 393-2017

August 2, 1996

Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87504

Non-Standard Location-Gas Spacing and Proration Unit  
Erwin Oil & Gas Ltd., Inc.  
Quarry #1, API #30-025-32297  
1980' FEL & 890' FWL  
Unit L, Sec 19 T18S R38E, Lea County, New Mexico  
Bowers Yates Seven Rivers (current)  
Undesignated Byers-Yates Gas Pool (proposed)

Attention: Michael Stogner

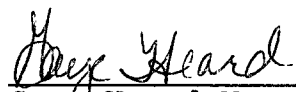
Dear Mr. Stogner,

Erwin Oil & Gas Ltd., Inc. respectfully requests administrative approval of a non-standard location-gas spacing and proration unit for 40 acres more or less on the captioned well in order to recompleat from the Bowers-Seven Rivers Oil Pool to the Byers-Yates Gas Pool. A bridge plug will be set at 3040' and the Yates formation will be perforated at 2666' to 3012'.

The off-set operator is Shell Western E&P, Inc. who holds the remaining 120 acres more or less. Enclosed is a copy of the letter sent to Shell Western by certified mail, return receipt requested as per Rule 104.D, (2) (d). The closest off-set operator with production in the Byers-Yates Gas Pool is Exxon Corporation. Their Bowers A Federal #31 is located in Sec 30 T18S R38E outside the one mile radius and therefore was not notified by certified mail.

Yours very truly,

OIL REPORTS & GAS SERVICES, INC.



Gaye Heard-Manager for Oil Reports  
& Gas Services, Inc.-Agent for  
Erwin Oil & Gas Ltd., Inc.

Enclosures (4)

cc: Erwin Oil & Gas Ltd., Inc.

*Oil Reports and Gas Services, Inc.*

P.O. BOX 755

HOBBS, NEW MEXICO 88241

PHONE NUMBERS  
393-2727 - 393-2017

August 2, 1996

Shell Western E & P, Inc.  
P. O. Box 576  
Houston, Texas 77001-0576  
Attention: Land Department

Non-Standard Location-Gas Spacing and Proration Unit  
Erwin Oil & Gas Ltd., Inc.  
Quarry #1, API #30-025-32297  
1980' FEL & 890' FWL  
Unit L, Sec 19 T18S R38E, Lea County, New Mexico  
Bowers Yates Seven Rivers (current)  
Undesignated Byers-Yates Gas Pool (proposed)

Gentlemen:

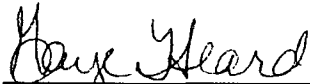
Erwin Oil & Gas Ltd., Inc. is applying for a Non-Standard Location-Gas Spacing and Proration Unit for 40 acres more or less on the captioned well in order to recomplete from the Bowers-Seven Rivers Oil Pool to the Byers-Yates Gas Pool. Enclosed are copies of a C-101, C-102, a area map circumferencing the well and the letter to the Oil Conservation Division, Santa Fe, Mr. Michael Stogner.

This letter serves as notice by Erwin Oil & Gas Ltd., Inc. of its stated intention for application. As an offset operator, please indicate your approval in the area provided and return this letter as soon as possible.

Thank you for your prompt reply to this matter.

Yours very truly,

OIL REPORTS & GAS SERVICES, INC.



Gaye Heard-Manager for Oil Reports &  
Gas Services, Inc.-Agent for Erwin  
Oil & Gas Ltd., Inc.

Enclosures (4)

cc: Oil Conservation Division-Mr. Mike Stogner-Santa Fe  
Oil Conservation Division-Hobbs  
Erwin Oil & Gas Ltd., Inc.-Hobbs

Page 2

Erwin Oil & Gas Ltd., Inc.  
Quarry #1

As an offset operator, we have no objection to Erwin Oil & Gas Ltd., Inc. application for a 40 acre NSL-gas spacing & proration unit for the captioned well.

Shell Western E & P, Inc.

By: \_\_\_\_\_

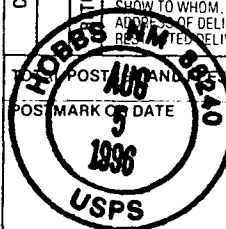
Date: \_\_\_\_\_

**P 243 010 519**  
**RECEIPT FOR CERTIFIED MAIL**

NO INSURANCE COVERAGE PROVIDED—  
 NOT FOR INTERNATIONAL MAIL  
 (See Reverse)

SENT TO		Shell Western E&P Inc.
STREET AND NO. Attn: Land Dept.		
P.O., STATE AND ZIP CODE		P. O. Box 576, TX 77001-
POSTAGE		\$5.0576
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	110 ¢
	SPECIAL DELIVERY	¢
	RESTRICTED DELIVERY	¢
	TURN RECEIPT SERVICE	120 ¢
	SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
	SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
POSTAGE AND FEE		\$2.75
POST MARK OF DATE		AUG 9 1996

PS Form 3800, Apr. 1976



District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

ERWIN OIL & GAS LTD, INC P. O. Box 2315 Hobbs, New Mexico 88241		Operator Name and Address.		OGRID Number 018703	
				API Number 30 - 025-32297	
Property Code 14200		Property Name Quarry			Well No. 1

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	19	18S	38E		1980	South	890	West	Lea

8 Proposed 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
Proposed Pool 1 Undesignated Byers-Yates Gas					Proposed Pool 2				

Work Type Code P	Well Type Code G	Cable/Rotary	Lease Type Code P	Ground Level Elevation 3663
Multiple No	Proposed Depth 3012	Formation Yates	Contractor	Spud Date

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
As perviously submitted					

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Recomplete from the Bowers-Seven Rivers Oil Pool to Byers-Yates Gas Pool.  
Set Bridge Plug at 3040 feet. Perforate Yates formation at 2666 ft to 3012 feet.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Ralph B. Erwin</i>		OIL CONSERVATION DIVISION	
Printed name:		Approved by: ORIGINAL SIGNED BY JERRY SEXTON	
Title:		Title: DISTRICT I SUPERVISOR	
Approval Date: JUN 25 1996		Expiration Date: FILE COPY	

Authorization for work only. Production approved only after approval of a non-standard Location, or dedication of 160 acres for a standard location submitted (Form C-102)

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-0-25-32297</b>	Pool Code <b>7220</b>	Buyers Name <b>Bowers - Seven Rivers</b>
Property Code <b>14919</b>	Property Name <b>QUARRY</b>	Well Number <b>1</b>
OGRID No. <b>018703</b>	Operator Name <b>ERWIN OIL &amp; GAS LTD INC</b>	Elevation <b>3661</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>L</b>	<b>19</b>	<b>18S</b>	<b>38E</b>		<b>1980</b>	<b>South</b>	<b>890</b>	<b>West</b>	<b>LCH</b>

<sup>11</sup> 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
<b>L</b>	<b>19</b>	<b>18S</b>	<b>38E</b>		<b>1980</b>	<b>South</b>	<b>890</b>	<b>West</b>	<b>LCH</b>

<sup>12</sup> Dedicated Acres <b>40</b>	<sup>13</sup> Joint or Infill <b>N</b>	<sup>14</sup> Consolidation Code <b>0</b>	<sup>15</sup> Order No.
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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

<p>16</p>	<p>Green line represents standard sized spacing unit. Black line represents application for NS spacing unit.</p>	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Ralph E. Erwin</i> Signature Ralph E. Erwin Printed Name Operator Title Date</p>
		<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <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 of Survey Signature and Seal of Professional Surveyer:</p>
		<p>Certificate Number</p>

FILE COPY





*Oil Reports and Gas Services, Inc.*

P.O. BOX 755

HOBBS, NEW MEXICO 88241

PHONE NUMBERS  
393-2727 • 393-2017

August 2, 1996

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P. O. Box 576  
Houston, Texas 77001-0576  
Attention: Land Department

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Bowers Yates Seven Rivers (current)  
Undesignated Byers-Yates Gas Pool (proposed)

Gentlemen:

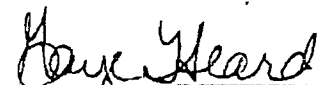
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Yours very truly,

OIL REPORTS & GAS SERVICES, INC.



Gaye Heard-Manager for Oil Reports &  
Gas Services, Inc.-Agent for Erwin  
Oil & Gas Ltd., Inc.

Enclosures (4)

cc: Oil Conservation Division-Mr. Mike Stogner-Santa Fe  
Oil Conservation Division-Hobbs  
Erwin Oil & Gas Ltd., Inc.-Hobbs



SEP. 9.1996 9:30AM

NO.063 P.3/3

Page 2

Erwin Oil & Gas Ltd., Inc.  
Quarry #1

As an offset operator, we have no objection to Erwin Oil & Gas Ltd., Inc. application for a 40 acre NSL-gas spacing & proration unit for the captioned well.

Shell Western E & P, Inc.

By: RT Dykes

Date: 9-9-96

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

08/26/96 09:50:35  
OGOMES -EMEI  
PAGE NO: 2

Sec : 19 Twp : 18S Rng : 38E Section Type : NORMAL

3 37.72	K 40.00	J 40.00	I 40.00
Fee owned U A P	Fee owned U A A	Fee owned U A A	Fee owned U A
4 37.78	<i>Ralph Erwin</i> N 40.00	O 40.00	P 40.00
Fee owned U A A	Fee owned U A A	Fee owned U A	Fee owned U A A

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

08/26/96 10:04:23  
OGOMES -EMEI  
PAGE NO: 1

Sec : 19 Twp : 18S Rng : 38E Section Type : NORMAL

1 37.62  Fee owned U A A	C 40.00  Fee owned U A A	B 40.00  Fee owned U A	A 40.00  Fee owned U A
2 37.68  Fee owned U A	F 40.00  Fee owned U A	G 40.00  Fee owned U A	H 40.00  Fee owned U A A

M0002: This is the first page

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12





NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

August 26, 1996

Erwin Oil & Gas Ltd., Inc.  
c/o Oil Reports and Gas Services, Inc.  
P. O. Box 755  
Hobbs, New Mexico 88241

Attention: Gaye Heard

*RE: Administrative application for a non-standard 37.72-acre gas spacing and proration unit in the Undesignated Byers-Yates Gas Pool to be dedicated to the Erwin Oil & Gas, Ltd., Inc. Quarry Well No. 1 (API No. 30-025-32297); 1980'FSL-890'FWL (Lot 3/Unit L) of Section 19, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico.*

Dear Ms. Heard:

I have attached a copy of the amended Statewide Rules and Regulations pertaining to spacing, please note that the required explanation for such a filing as this in an "unprorated gas pool" will need to be somewhat thorough and a response to the following inquiries will need to be addressed before we can process the subject application:

- (1) have the notice provisions of Division General Rule 104.D(2)(c) been adequately met;
- (2) what measures have been taken to reach a voluntary agreement by all parties in communitizing the required acreage in the SW/4 equivalent of said Section 19;
- (3) why forced pooling is not an option; and,
- (4) how will this well effect overall drainage issues should the parties being segregated be forced to drill unnecessary offsetting wells within this same quarter section.

Should you have any questions or comments concerning these rules, requirements and/or procedures after you have reviewed them, please contact me at (505) 827-8185.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Hobbs  
William J. LeMay, Director - OCD, Santa Fe