

DATE IN 12/1/03	SUSPENSE 12/21/03	ENGINEER MS	LOGGED IN LR	TYPE NSL	APP NO. PLR0333627423
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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



Pass 13203

ADMINISTRATIVE APPLICATION CHECKLIST

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.

James Bruce

Print or Type Name

Signature

Attorney for Applicant

Title

jamesbruc@aol.com

e-mail Address

Date

11/26/03

RECEIVED
 DEC 1 2003
 Oil Conservation Division
 1220 S. St. Francis Drive
 Santa Fe, NM 87505

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)
(505) 982-2151 (FAX)

jamesbruc@aol.com

November 26, 2003

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Application Reference No. pMES0-325255283

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), John R. Stearns re-applies for administrative approval of an unorthodox gas well location for the following well:

<u>Well:</u>	State "16" Well No. 1Y
<u>Location:</u>	330 feet FSL & 940 feet FEL
<u>Well Unit:</u>	E½ of Section 16, Township 9 South, Range 37 East, N.M.P.M., Lea County, New Mexico

The well was originally drilled to test the Devonian formation, and applicant intends to re-complete the well in the Morrow formation (Undesignated West Sawyer-Morrow Gas Pool). A Form C-102 for the well is attached as Exhibit A. Because the well is a re-completion, geologic plats are not attached.

Attached as Exhibit B is a land plat of the area. The acreage affected by the unorthodox location is the N¼ of Section 21. The N¼ of Section 21 is fee acreage, which is currently unleased. The unleased mineral interest owners have been notified, as shown on Exhibit C. The owners of said acreage were verified by an examination of the Lea County records as of October 31, 2003.

Please call me if you need any further information on this matter.

Very truly yours,


James Bruce

Attorney for Mewbourne Oil Company

District I

1625 N. French Dr., Hobbs, NM 88240

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

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34070		Pool Code	Pool Name MARROW
Property Code 28926	Property Name STATE 16		Well Number 1Y
GRID No. 21566	Operator Name JOHN R. STEARNS dba STEARNS		Elevation 3989'

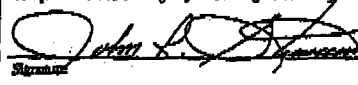
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
P	16	9S	37E		330'	SOUTH	940'	EAST	LEA

11 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 320		Joint or Infill N	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

16					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature JOHN R. STEARNS Printed Name OWNER Title and E-mail Address Aug 28, 2003 Date
18 SURVEYOR CERTIFICATION 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. MARCH 17, 1997 Date of Survey Signature and Seal of Professional Surveyor:  Certification Number					

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213
SANTA FE, NEW MEXICO 87501

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jamesbruc@aol.com

November 26, 2003

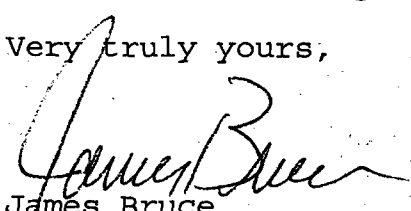
CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by John R. Stearns, requesting administrative approval of an unorthodox gas well location in the E½ of Section 16, Township 9 South, Range 37 East, NMPM, Eddy County, New Mexico. You own a mineral interest in the offsetting acreage in the N¼ of Section 21. If you object to the well's location, you must notify the Division in writing no later than Tuesday, December 16, 2003 (1220 South St. Francis Drive, Santa Fe, New Mexico 87505; attention: Michael E. Stogner). Failure to object will preclude you from contesting this matter at a later date.

Very truly yours,


James Bruce

Attorney Mewbourne Oil Company



EXHIBIT A

Marilyn B. Salter
20031 82nd Avenue
Edmonds, Washington 98020

Beverly B. Strohl
4353 Brownfield Avenue
San Diego, California 92122

Patricia Boyle Young
P.O. Box 1639
Solana Beach, California 90806

J.L. Burke III
8428 Meadowknoll
Dallas, Texas 75243

Bill C. Cotner
P.O. Box 2236
Midland, Texas 79702

William J. Hill
1613 Winfield
Midland, Texas 79705

College of the Southwest
6610 Lovington Highway
Hobbs, New Mexico 88240

Texas Tech University
P.O. Box 41081
Lubbock, Texas 79409

W.L. Pevey, Jr.
P.O. Box 295
Hobbs, New Mexico 88241

Gary Don Reagan
P.O. Box 780
Hobbs, New Mexico 88241

Richard L. Westlake
P.O. Box 647
Salado, Texas 76571

Osler C. Hutson
P.O. Box 550
Gladewater, Texas 75647

Richard D. Jones, Jr.
Rte 2, Box 57B
Cedar Creek, Texas 78612

Chase Bank of Texas, National
Association, Trustee U/W/O
Mary Catherine Jones FBO
Angela Leigh Simpson Starrett
500 West Illinois
Midland, Texas 79701

Kingdon R. Hughes
P.O. Box 2424
Midland, Texas 79702

Roy G. Barton, Individually
and as Trustee
P.O. Box 978
Hobbs, New Mexico 88241



Stearns

cc

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

September 24, 2003

John R. Stearns d/b/a Stearns
HC 65 Box 988
Crossroads, New Mexico 88114

Re: *Administrative application (application reference No. pMES0-325255283) for an exception to Division Rule 104.C (2) (a), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, for your existing State "16" Well No. 1-Y (API No. 30-025-34070) to be recompleted into the Undesignated West Sawyer-Morrow Gas Pool (97103) at an unorthodox deep gas well location 330 feet from the South line and 940 feet from the East line (Unit P) of Section 16, Township 9 South, Range 37 East, NMPM, Lea County, New Mexico, within a standard 320-acre stand-up gas spacing unit comprising the E/2 of Section 16.*

Dear Mr. Stearns:

Due to your total disregard of notice in this matter under Division Rule 1207A. (2) [see copy attached]; this application, deemed incomplete, is hereby **denied** and is being returned.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs

19.15.14.1207 NOTICE REQUIREMENTS FOR SPECIFIC ADJUDICATIONS:

A. Applicants for the following adjudicatory hearings before the division or commission shall give notice in addition to that required by 19.15.14.1204 NMAC as set forth below:

(2) Unorthodox Well Locations:

(a) Definition: "affected persons" are the following persons owning interests in the adjoining spacing units:

- (i)** the division-designated operator;
- (ii)** in the absence of an operator, any lessee whose interest is evidenced by a written document of conveyance either of record or known to the applicant as of the date the application is filed; and
- (iii)** in the absence of an operator or lessee, any mineral interest owner whose interest is evidenced by a written document of conveyance either of record or known to the applicant as of the date the application was filed.

In the event the operator of the proposed unorthodox well is also the operator of an existing adjoining spacing unit and ownership is not common between the adjoining spacing unit and the spacing unit containing the proposed unorthodox well, then "affected persons" include all working interest owners in that spacing unit.

(b) If the proposed location is unorthodox by being located closer to the outer boundary of the spacing unit than permitted by Rule, notice shall be given to the affected persons in the adjoining spacing units towards which the unorthodox location encroaches.

(c) If the proposed location is unorthodox by being located in a different quarter-quarter section or quarter section than provided in special pool orders, notice shall be given to all affected persons.

Rec: 9-8-03

Susp. 9-29-03

NSL

P MESO- 325255283

John R. Stearns *d/b/a Stearns*

HC 65 Box 988
Crossroads, NM 88114
505-675-2356

RECEIVED

SEP 08 2003

OIL CONSERVATION
DIVISION

September 3, 2003

Attn: Mike Stogner
New Mexico Oil Conservation Division
Engineering Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: State 16 1-Y - Recompletion
330' FSL & 940' FEL, Unit P, Sec. 16, T9S, R37E
Non-Standard Location, Lea County, NM

30-025-34070

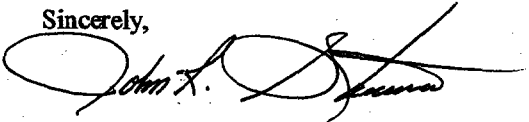
Dear Sir,

John R. Stearns respectfully requests approval of a non-standard location for the recompletion of the above mentioned well. This well is currently being produced in the Devonian formation and we would like to recomplete this well in the Morrow formation.

The State 16 Lease consists of the entire 640 acres of Sec. 16, T9S, R37E. We would like to dedicate the East 320 acres of this section to the recompletion of this well.

Enclosed are a map and a C-102 denoting the location of the State 16 1-Y. There are no adjacent leases producing in the Morrow formation. If additional information is need, please let us know at your earliest convenience.

Sincerely,



John R. Stearns
Owner/Operator

1625 N. French Dr., Hobbs, NM 88240

1301 W. Grand Avenue, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34070	² Pool Code	³ Pool Name MARROW
⁴ Property Code 28926	⁵ Property Name STATE 16	⁶ Well Number 1Y
⁷ OGRID No. 21566	⁸ Operator Name JOHN R. STEARNS dba STEARNS	⁹ Elevation 3989'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	16	9S	37E		330'	South	940'	EAST	Lea

¹¹ 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
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¹² Dedicated Acres 320	¹³ Joint or Infill N	¹⁴ Consolidation Code —	¹⁵ Order No.
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16				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <u>John R. Stearns</u> Signature <u>John R. Stearns</u> Printed Name <u>OWNER</u> Title and E-mail Address <u>Aug 28, 2003</u> Date
				18 SURVEYOR CERTIFICATION 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. <u>MARCH 17, 1997</u> Date of Survey _____ Signature and Seal of Professional Surveyor: _____ Certificate Number

330' → 940' →

