

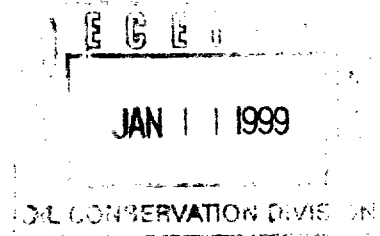
NSL 2/1/99

JAMES L. SCHULTZ
INDEPENDENT PETROLEUM LANDMAN
809 TWIN DIAMOND
ROSWELL, NEW MEXICO 88201

(505) 622-3615 OFFICE
(505) 622- 3615 FAX
(505) 626-6879 MOBILE

January 6, 1999

Oil Conservation Division
New Mexico State Land Office
P.O. Box 1148
Santa Fe, New Mexico 87504-1148



Attention: David Catanach

RE: Penjack Federal #11
NE/4 Sec. 12-T10S-R25E
Chaves County, New Mexico

Gentlemen:

Gothic Production Corporation, of Tulsa Oklahoma, desires to drill a location in the NE4 of Section 12, Township 10 South, Range 25 East, NMPM. (See Attachment "A") Due to topographical, geological and drainage concerns, Goth is requesting an unorthodox status.

The BLM had requested that the well be relocated from it's original location of 1980'FEL and 330' FNL due to a surface drainage situation. (See Attachment "B") This location was chosen because of geological data from the surrounding wells. It is the opinion of Gothic Production that is location would be the best economical and productive location to drill in the NE/4. (See Attachment "C") All minerals surrounding this proration unit are leased to Gothic Production Corp., with the exception of the W2 of Sec. 12 which is leased to Yates Petroleum Corp. Notice of this unorthodox request has been sent to Yates Petroleum Corp. A copy of that notice is attached hereto.

Therefore, Gothic Production Corp. requests that the O.C.D. approve the unorthodox location at 2310'FEL & 330'FNL, Section 12, Township 10 South, Range 25 East, NMPM.

Your consideration of the request is appreciated.

Sincerely,

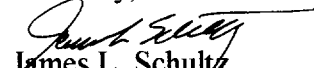

James L. Schultz
Agent for Gothic Production Corp.

EXHIBIT "A"

District I
PO Box 1908, Hobbs, NM 88241-1908
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Branco Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102

Revised February 10, 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	Pool Code	Pool Name S. Pecos Slope Abo
Property Code	Property Name Penjack Federal	Well Number 11
OGRID No.	Operator Name Gothic Oil	Elevation 3718

10 Surface Location

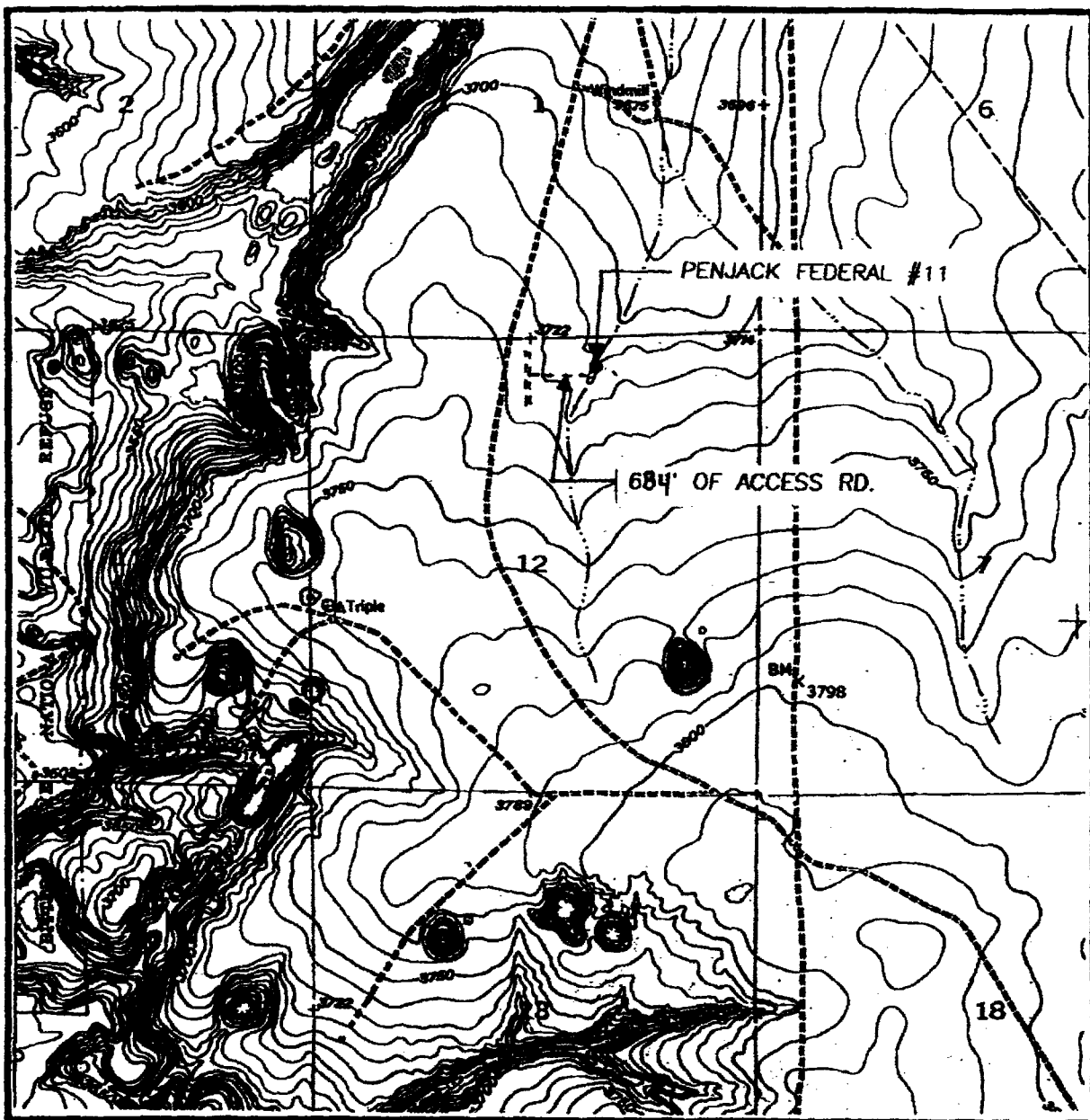
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
B	12	10S	25E		330	ENL	2310	FEL	Chaves

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
12 Dedication Acres 160		13 Joint or Infill		14 Consolidation Code		15 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		330'	2310'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>James L. Schultz</i> James L. Schultz Printed Name Agent/Gothic Prod. Corp. Title 1-5-99 Date
			NM-8431	
				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. 12-28- Date of Survey Signature and Seal: <i>[Signature]</i> Certificate Number 8675



SCALE: 1" = 2000'

CONTOUR INTERVAL:
COMANCHE SPRING - 10'

SEC. 12 TWP. 10-S RGE. 25-E

SURVEY N.M.P.M.

COUNTY CHAVES

DESCRIPTION 330' FNL & 1980' FEL

ELEVATION 3708

OPERATOR GOTHIC ENERGY CORP.

LEASE PENJACK FEDERAL

U.S.G.S. TOPOGRAPHIC MAP
COMANCHE SPRING N 14

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

GOTHIC PRODUCTION
 PENJACK FEDERAL
 NO. 11
 12-T.10S.-R.25E.
 CHAVES CO. NM
 CI=10'
 NET ISOPACH
 ABO D SAND

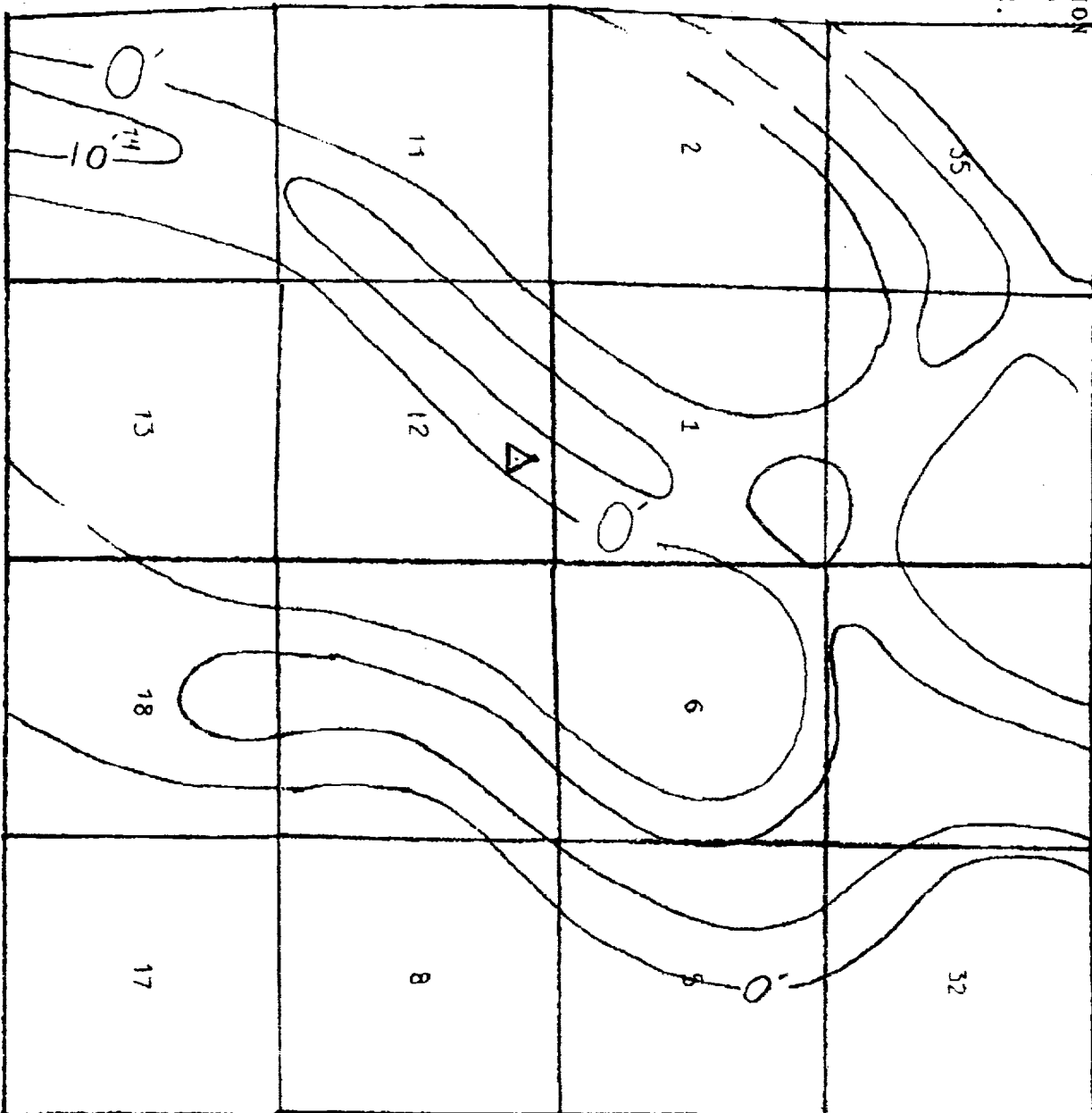
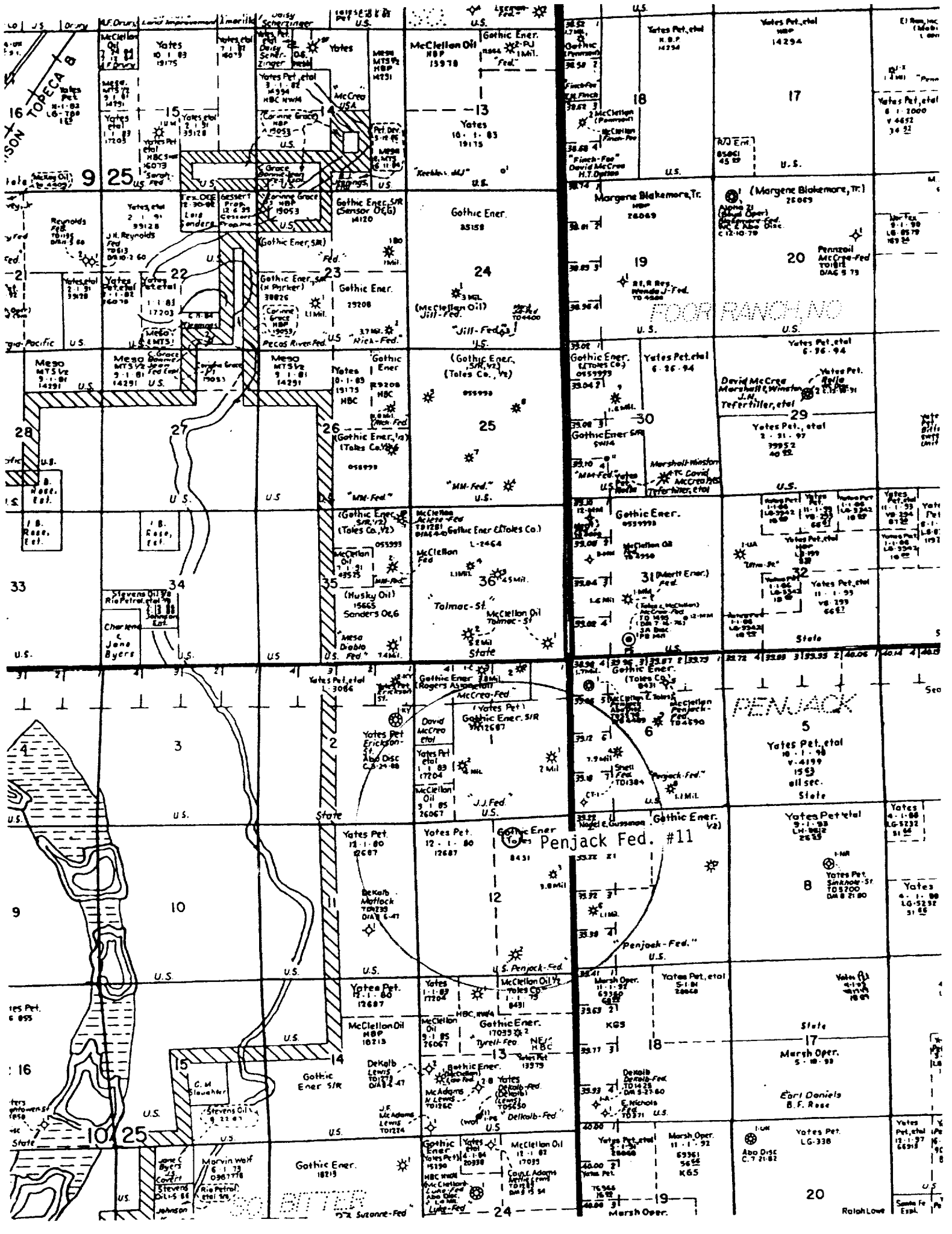


EXHIBIT "C"



**JAMES L. SCHULTZ
INDEPENDENT PETROLEUM LANDMAN
809 TWIN DIAMOND
ROSWELL, NEW MEXICO 88201**

**(505) 622-3615 OFFICE
(505) 622- 3615 FAX
(505) 626-6879 MOBILE**

CERTIFIED

January 6, 1999

Yates Petroleum Corporation
105 S. Fourth Street
Artesia, NM 88210

Attention: Robert Bullock

RE: Penjack Federal #11
NE/4 Sec. 12-T10S-R25E
Chaves County, New Mexico

Mr. Bullock:

Gothic Production Corporation, of Tulsa Oklahoma, desires to drill a location in the NE4 of Section 12, Township 10 South, Range 25 East, NMPM. (See Attachment "A") Due to topographical, geological and drainage concerns, Goth is requesting an unorthodox status.

The BLM had requested that the well be relocated from it's original location of 1980'FEL and 330' FNL due to a surface drainage situation. (See Attachment "B") This alternative location was chosen because of geological data from the surrounding wells. All minerals surrounding this proration unit are leased to Gothic Production Corp., with the exception of the W2 of Sec. 12 which is leased to Yates Petroleum Corp. (NM-12687).

Therefore, Gothic Production Corp. requests that Yates Petroleum consent to the unorthodox location at 2310'FEL & 330'FNL, Section 12, Township 10 South, Range 25 East, NMPM.

Your consideration of the request is appreciated.

Sincerely,

James L. Schultz
Agent for Gothic Production Corp.

Page 2 of 2
Yates Petroleum Corp.
January 6, 1999

AGREED AND CONSENTED TO THIS _____ DAY OF JANUARY, 1999.

YATES PETROLEUM CORPORATION

BY: _____

EXHIBIT "A"

District I
PO Box 1908, Hobbs, NM 88241-1908
District II
PO Drawer DD, Arroyo, NM 88211-0719
District III
1800 N. Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 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

APN Number		Post Code		Post Name	
				S. Pecos Slope Abo	
Property Code		Property Name			Well Number
		Perjack Federal			11
OGRID No.		Operator Name			Elevation
		Gothic Oil			3718

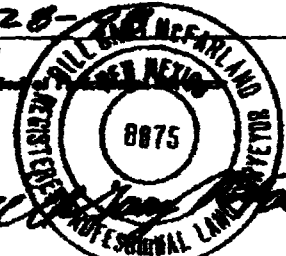
10 Surface Location

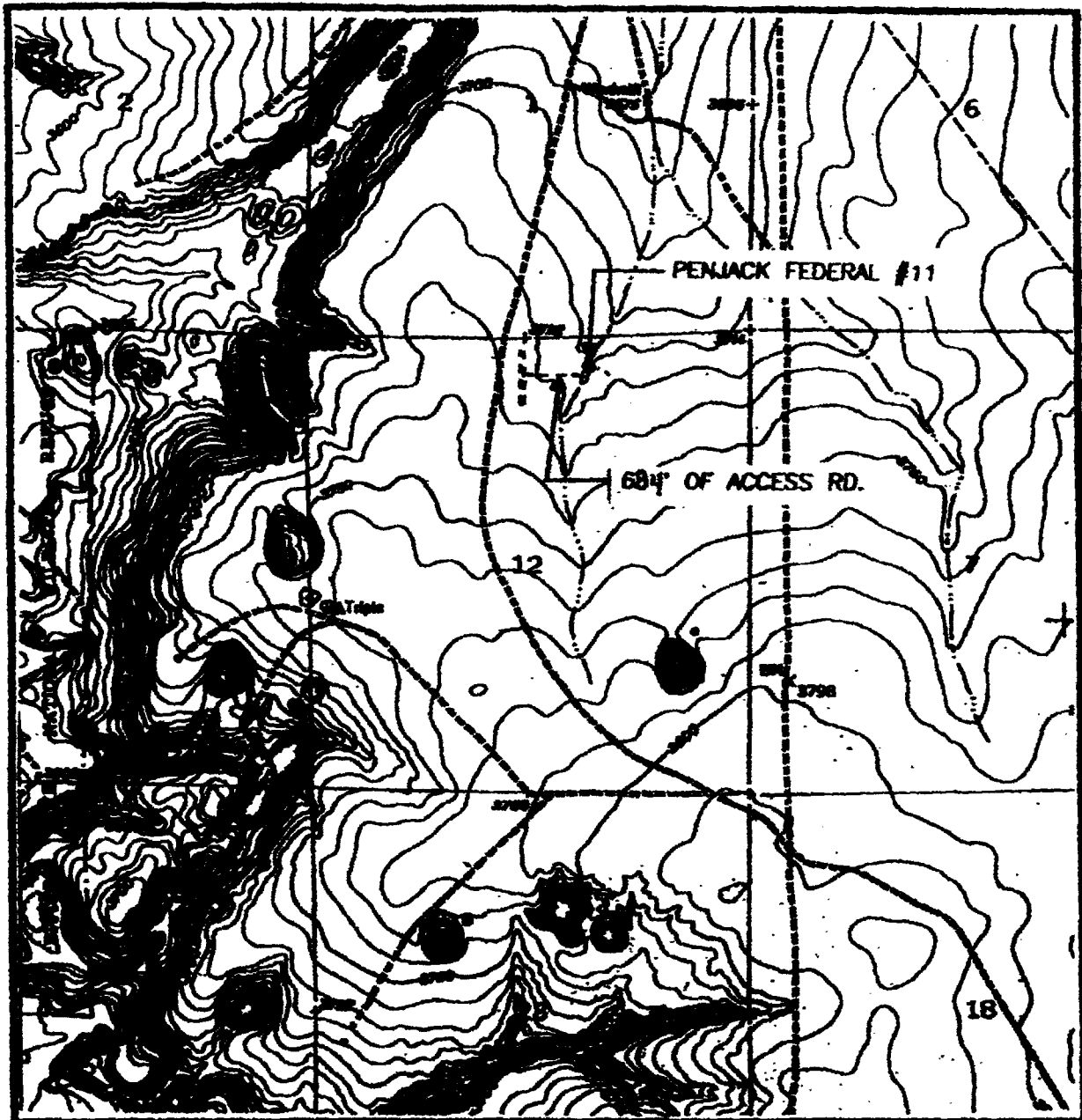
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
B	12	10S	25E		330	ENL.	2310	FEL.	Chaves

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
160									

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		330'	2310'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>James L. Schultz</u> Printed Name: <u>James L. Schultz</u> Title: <u>Agent/Gothic Prod. Corp.</u> Date: <u>1-5-99</u>
			NM-8431	
				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>12-28-98</u> Date of Survey Signature and Seal: <u>[Signature]</u>  Certificate Number: <u>8875</u>



SCALE: 1" = 2000'

CONTOUR INTERVAL:
COMANCHE SPRING - 10'

SEC. 12 TWP. 10-S RGE. 25-E

SURVEY N.M.P.M.

COUNTY CHAVES

DESCRIPTION 330' FNL & 1980' FEL

ELEVATION 3708

OPERATOR GOthic ENERGY CORP.

LEASE PENJACK FEDERAL

U.S.G.S. TOPOGRAPHIC MAP

COMANCHE SPRING, N.M.

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

EVU00111 1104