

BEFORE THE OIL CONSERVATION DIVISION

ENERGY & MINERALS DEPARTMENT STATE OF NEW MEXICO

**APPLICATION OF NAVAJO REFINING
COMPANY TO MODIFY DISCHARGE PLAN
TO CHANGE LOCATION OF INJECTION
WELL IN EDDY COUNTY, NEW MEXICO**

NO. 12249

MOTION TO DISMISS

NAVAJO REFINING COMPANY ("Navajo") moves to dismiss the protest of Don L. Benscoter to the conversion of the Chukka Federal Well No. 2 (formerly the Amoco Production Co. Diamond Federal Gas Com No. 1), which has now been designated as the Navajo Refining WDW No. 2 ("WDW"), and states as its reasons therefor:

1. That the New Mexico Oil Conservation Division ("OCD") does not have jurisdiction to determine the ownership of the well bore of oil and gas wells in New Mexico.
2. That Section 70-2-12(8), NMSA, 1978, gives the OCD the power to identify the ownership of wells and it has done so as shown by the records of the OCD which identify Navajo as the owner of the subject well. Copies of the applicable ownership documents are attached hereto.
3. That if the protestant, Don L. Benscoter, believes that the ownership of the well bore is different than shown on the attached documents of the OCD and the bill of sale to Navajo, he should question that ownership in a separate proceeding.
4. That Rule 701 of the OCD which governs this application does not require proof of ownership of the well.

5. That Navajo filed application for conversion of the Chukka Federal Well No. 2

and has fully complied with the regulatory requirements of the OCD for conversion of this well to Class 1 disposal well.

6. That this well is needed as a backup well for the WDW No. 1 well which will be expected to take some 13,000 barrels of processed water per day to meet disposal requirements by the Environmental Protection Agency, the New Mexico Environmental Department, and the OCD.

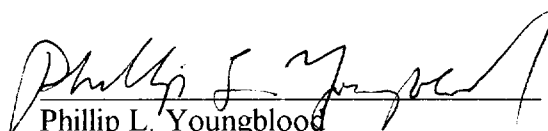
7. That if the WDW No. 1 is unable to take the required amount of water and the WDW No. 2 Well (formerly Chukka Federal) is unavailable for use for this purpose, Navajo will possibly be subjected to massive fines and the quality of the environmental effort will be seriously jeopardized.

8. That Navajo would be irreparably harmed by a delay in the granting of the application in this case.

WHEREFORE, Navajo prays that the protest of Don L. Benscoter be dismissed as a matter of law and that the OCD grant administrative approval of the application of Navajo to operate a Class 1 disposal well at Unit E, Section 12, Township 18 South, Range 27 East, NMPM.

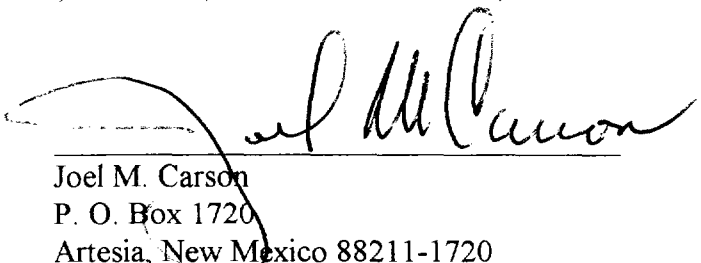
Respectfully submitted,

NAVAJO REFINING COMPANY

By: 
Phillip L. Youngblood

LOSEE, CARSON, HAAS & CARROLL, P.A.

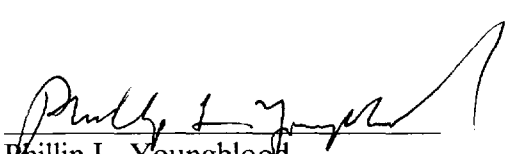
By:


Joel M. Carson
P. O. Box 1720
Artesia, New Mexico 88211-1720
(505/746-3505)

Attorneys for Navajo Refining Company

STATE OF NEW MEXICO)
: ss.
COUNTY OF EDDY)

PHILLIP L. YOUNGBLOOD, being first duly sworn upon his oath, states that he is the Director of Environmental Affairs of Navajo Refining Company, the Applicant above named, and that he makes this verification on behalf of said Applicant; that he has read said Motion to Dismiss and knows and understands the contents thereof; and that the matters set forth therein are true and correct to the best of his knowledge, information and belief.


Phillip L. Youngblood

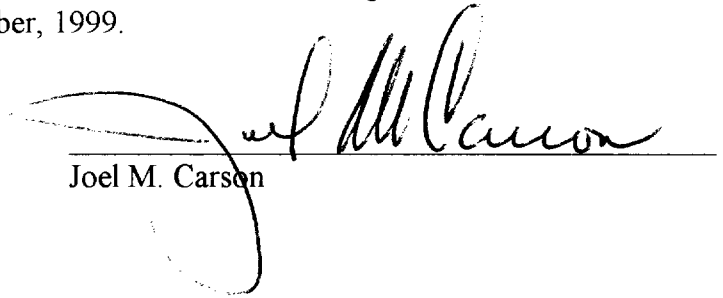
SUBSCRIBED AND SWORN TO before me this September 21, 1999, by
PHILLIP L. YOUNGBLOOD.

My commission expires:
6-14-03


Notary Public

CERTIFICATE OF MAILING

The undersigned hereby certifies that he did mail by federal express a true copy of the foregoing Motion to Dismiss to Don L. Benscoter, 6105 East Sage Drive, Scottsdale, Arizona, 85253, this 21st day of September, 1999.

A handwritten signature in cursive script, appearing to read "Joel M. Carson", is written over a horizontal line. The signature is fluid and stylized, with a large initial 'J' and 'C'.

Joel M. Carson

WELL-BORE ASSIGNMENT

STATE OF NEW MEXICO

§

§

COUNTY OF EDDY

§

REFERENCE is made to that certain oil and gas well in Eddy County, New Mexico, known as The Eastland Oil Co. - Chucka Federal # 2 a.k.a the Amoco-Diamond Federal Gas Com. No. 1 (hereinafter the "Subject Well"), located 1980 feet FNL and 660 feet FWL of Section 12, T-18-S, R-27-E, NMPM (hereinafter the "Lands").

For a valuable consideration, the receipt and sufficiency of which is hereby acknowledged, The Eastland Oil Company and Polo Oil and Gas (collectively "Assignor") hereby GRANTS, SELLS, ASSIGNS and CONVEYS unto Navajo Refining Company, whose address is 501 E. Main, Artesia, New Mexico 88210 ("Assignee"), all of Assignor's right, title and interest in and to the Subject Well, subject to the following terms and conditions:

1. Assignee agrees that all operations will be conducted in compliance with any and all laws, regulations and orders of any state or federal governmental authorities having jurisdiction over said operations including, but not limited to, the rules and regulations of the Oil Conservation Division of the Energy and Minerals Department of the State of New Mexico, and the Bureau of Land Management. Without limiting the scope of this compliance, Assignee specifically agrees to (i) assume all responsibility and liability for the proper plugging and abandonment of the Subject Well pursuant to the applicable rules and regulations of all governmental agencies having jurisdiction and the applicable statutes and laws of the State of New Mexico, as well as all federal laws and regulations; and (ii) comply with all other rules, regulations, orders and directives of governmental authority having jurisdiction applicable to any part of the Lands - including, but not limited to, any obligation to restore the surface of the Lands to its original condition;
2. ASSIGNOR DOES NOT WARRANT OR REPRESENT, EITHER EXPRESSLY OR BY IMPLICATION, AND HEREBY EXPRESSLY DISCLAIMS THE CONDITION OF ANY WELLS OR EQUIPMENT OR THE QUANTITY, QUALITY OR CONDITION OF ANY MATERIAL AND EQUIPMENT OR ITS FITNESS FOR USE OR THE SUITABILITY FOR USE OF SAME IN WHOLE OR IN PART. ASSIGNOR EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OF ANY PERSONAL PROPERTY OR OF THE FITNESS OF ANY PERSONAL PROPERTY FOR ANY PURPOSE, AND ASSIGNEE AGREES THAT ANY PERSONAL PROPERTY ACQUIRED IS SOLD "AS IS" AND "WHERE IS".
3. ASSIGNEE AGREES TO INDEMNIFY, DEFEND AND HOLD ASSIGNOR HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LIABILITIES, COSTS, EXPENSES INCLUDING, WITHOUT LIMITATION,

RECEPTION
994297

George H. Wilkert
Holly Petroleum Inc
100 Crescent St Ste 1600
Dallas, Texas 75201

COURT COSTS AND REASONABLE ATTORNEYS' FEES, AND ALL LOSSES AND DAMAGES OF WHATSOEVER KIND AND NATURE THAT ARE ATTRIBUTABLE TO THE SUBJECT WELL OR THE LANDS AS OF AND SUBSEQUENT TO THE EFFECTIVE DATE, AND ASSIGNOR AGREES TO INDEMNIFY, DEFEND AND HOLD ASSIGNEE HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LIABILITIES, COSTS, EXPENSES INCLUDING, WITHOUT LIMITATION, COURT COSTS AND REASONABLE ATTORNEYS' FEES, AND ALL LOSSES AND DAMAGES OF WHATSOEVER KIND AND NATURE THAT ARE ATTRIBUTABLE TO THE SUBJECT WELL OR THE LANDS PRIOR TO THE EFFECTIVE DATE INCLUDING, WITHOUT LIMITATION, THE FOLLOWING:

- (A) THE OBLIGATIONS ASSUMED BY EACH PARTY ELSEWHERE IN THIS DOCUMENT;
 - (B) DAMAGE TO OR LOSS OF PROPERTY, NATURAL RESOURCES OR PERSONS ARISING OUT OF EACH RESPECTIVE PARTY'S OPERATIONS;
 - (C) ANY CONDITION OF OR UPON THE LANDS; AND
 - (D) ANY INJURY OR DAMAGE OR CONDITION AFFECTING THE ENVIRONMENT.
4. Assignor warrants title by, through and under itself, and not otherwise, and further warrants that no third party has any rights in the Subject Well by virtue of any prior Assignment, Agreement, Encumbrance or otherwise.
5. Subject to the provisions of Paragraph 2 above, the Subject Well will be delivered to Assignee with its 8-5/8" casing in place in its present condition, and Assignor reserves and retains any and all surface equipment and tubing in the well, which shall be removed within 120 days of execution hereof.
6. After execution hereof, each of the Parties will execute, acknowledge and deliver to the other such further instruments, and take such other action, as may be reasonably requested in order to more effectively assure to said party all of the respective properties, rights, titles, interests, estates, and privileges intended to be assigned, delivered or inuring to the benefit of such party in consummation of the transactions contemplated hereby including, without limitation, all forms required to be filed with the New Mexico Oil Conservation Division and/or the Bureau of Land Management.

EXECUTED this the 13 day of April, 1999.

THE EASTLAND OIL COMPANY

By: Robert R. Donnelly
Name: ROBERT R. DONNELLO
Title: PRESIDENT

POLO OIL AND GAS COMPANY

N/A
Wife of T. Calder Ezzell Jr., if any,
pro forma

By: T. Calder Ezzell Jr.
Name: T. Calder Ezzell, Jr.
Title: PRESIDENT

"Assignor"

NAVAJO REFINING COMPANY

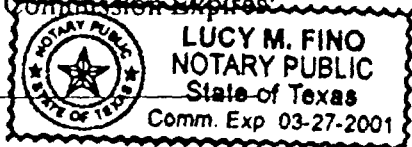
By: Matthew P. Clifton
Name: Matthew P. Clifton
Title: Senior Vice President

"Assignee"

STATE OF Texas §
COUNTY OF Midland §

This instrument was acknowledged before me this 15th day of April, 1999 by Robert R. Donnelly, President (title) of THE EASTLAND OIL COMPANY, a Texas corporation, on behalf of said corporation.

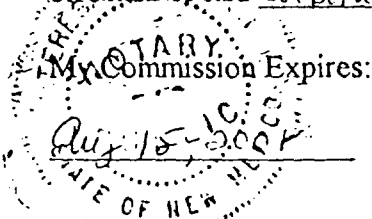
My Commission Expires:



Lucy M. Fino
Notary Public in and for the State of Texas.
Printed Name: Lucy M. Fino

STATE OF New Mexico §
COUNTY OF Chaves §

This instrument was acknowledged before me this 13th day of April, 1999 by T. Calder Ezzell Jr., President (title) of POLO OIL AND GAS Company, a New Mexico Corporation on behalf of said Corporation, joined pro forma by his wife, _____

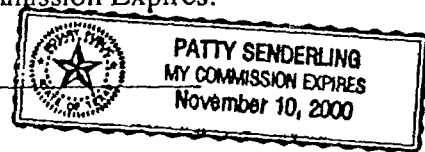


Teresa M. Waugh
Notary Public in and for the State of Texas.
Printed Name: Teresa M. Waugh

STATE OF Texas §
COUNTY OF Dallas §

This instrument was acknowledged before me this 3th day of March, 1999 by Matthew Clifton, Sr. V. P. (title) of NAVAJO REFINING COMPANY, a Delaware corporation, on behalf of said corporation.

My Commission Expires:



Patty Senderling
Notary Public in and for the State of Texas.
Printed Name: Patty Senderling

STATE OF NEW MEXICO } ss
County of Eddy

FILED APR 20 1999 FOR RECORD
at 9:10 o'clock A. M., and was duly
recorded in BOOK 349 page 43
of the Records of Eddy County
Jean Echeverry, County Clerk
By [Signature]



orm 3100-4

July '992)

SUBMIT IN DUPLICATE

(See other instructions
on reverse side)

FORM APPROVED

OMB NO. 1004-0137

Expires: February 28, 1999

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> DRY WELL <input type="checkbox"/> <input checked="" type="checkbox"/> Other <u>Class I Waste Disposal Well</u>	17. UNIT AGREEMENT NAME
1b. TYPE OF COMPLETION NEW WELL <input type="checkbox"/> REEPPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF-GENVR <input type="checkbox"/> <input checked="" type="checkbox"/> Other <u>Reentry</u>	18. FARM OR LEASE NAME, WELL NO. WDW-2
2. NAME OF OPERATOR <u>Navajo Refining Company</u>	9. API WELL NO. 30-015-20894
3. ADDRESS AND TELEPHONE NO. <u>Post Office Box 159, Artesia, New Mexico 88211</u>	10. FIELD AND POOL, OR WILDCAT <u>L. Wolfcamp-Cisco-Canyon</u>
4. LOCATION OF WELL <u>11. FNL and 11.0' FNL Unit Letter E</u>	11. SEC. T., R., M., OR BLOCK AND SURVEY OR AREA <u>Section 12, Township 18 South Range 27 East, Unit Letter E</u>

12. COUNTY OR PARISH <u>Eddy</u>	13. STATE <u>New Mexico</u>
14. PERMIT NO. <u>WDW-2</u>	DATE ISSUED <u>April 27, 1999</u>
15. DATE SPUDDED <u>7-18-73</u>	16. DATE T.D. REACHED <u>8-27-73</u>
17. DATE COMP (Ready to prod.) <u>6-8-99</u>	18. ELEVATIONS (OF, RKB, RT, GR, ETC.) <u>3607' GL; 3623' RKB</u>
19. ELEV. CASINGHEAD <u>3609' GL</u>	20. TOTAL DEPTH, MD & TVC <u>10,372' TVD</u>
21. PLUG, BACK T.D., MD & TVD <u>8770'</u>	22. IF MULTIPLE COMPL., HOW MANY* <u>1</u>
23. INTERVALS DRILLED BY <u>All</u>	24. PRODUCING INTERVAL (S), OF THIS COMPLETION - TOP, BOTTOM NAME (MD AND TVD)* <u>L. Wolfcamp-Cisco-Canyon</u>
25. WAS DIRECTIONAL SURVEY MADE? <u>Yes</u>	26. TYPE ELECTRIC AND OTHER LOGS RUN <u>Fracture Finder and Caliper Logs, Dual Induction Laterlog, Compensated Neutron, Formation Density</u>
27. WAS WELL CORED? <u>No</u>	

CASING RECORD				(Report all strings set in well)	
CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
13-3/8"	N/A	40'	N/A	Surface	None
8-5/8"	32	1995'	11	Surface, 800 sx ClH	None
5-1/2"	17	8869'	7-7/8"	Surface, 1570 sx ClH and ClC	None

LINER RECORD				TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SIZE	DEPTH SET (MD)	PACKER SET (MD)
				3-1/2"	7528'	7528'

PERFORATION RECORD			ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
(Interval, size and number)			DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7570'-7620'	7676'-7736'	7826'-7834'	7570' to 8399'	10,000 gallons 15% HCl, plus 4600 pounds of rock salt as diverter
7858'-7880'	7886'-7904'	7916'-7936'		
7944'-7964'	7990'-8042'	8096'-8116'		
8191'-8201'	8304'-8319'	8395'-8399'		
(2 ispf for total of 598 holes)				

DATE FIRST PRODUCTION <u>N/A</u>	PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump) <u>N/A</u>	WELL STATUS (Producing or shut-in) <u>N/A</u>
DATE OF TEST <u>N/A</u>	HOURS TESTED <u>N/A</u>	CHOKE SIZE <u>N/A</u>
FLOW, TUBING PRESS <u>N/A</u>	CASING PRESSURE <u>N/A</u>	24-HOUR RATE CALCULATED <u>N/A</u>
34. DISPOSITION OF (Sold, used for fuel, vented, etc.) <u>N/A</u>	35. LIST OF ATTACHMENTS <u>Deviation Report</u>	36. Thereby certify that the foregoing and attached information is complete and correct as determined from all available records.

SIGNED David Mace TITLE Env. Mgr. DATE 7/19/99

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

RECEIVED

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

OIL CONSERVATION DIVISION

OCT 18 '90

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

C. C. D.

ARTESIA, OFFICE

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator THE EASTLAND OIL COMPANY	Well API No. 30-015-20894
Address P. O. DRAWER 3488, MIDLAND, TEXAS 79702	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input checked="" type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
EFFECTIVE 09/01/90	
If change of operator give name and address of previous operator FRED POOL DRILLING, INC., P. O. DRAWER 1393, ROSWELL, NM 88201	

II. DESCRIPTION OF WELL AND LEASE

Lease Name CHUKKA FEDERAL	Well No. 2	Pool Name, including Formation ARTESIA Q-G-SA	Kind of Lease XMM, Federal XGTX	Lease No. 6852
Location Unit Letter E : 1980 Feet From The North Line and 660 Feet From The West Line Section 12 Township 18S Range 27E , NMPM , EDDY County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> NAVAJO CRUDE OIL PURCHASING	Address (Give address to which approved copy of this form is to be sent) BOX 159, ARTESIA, NM 88210					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> PHILLIPS PETROLEUM	Address (Give address to which approved copy of this form is to be sent) BARTLESVILLE, OK					
If well produces oil or liquids, give location of tanks.	Unit E	Sec. 12	Twp. 18S	Rge. 27E	Is gas actually connected? NO	When ?

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		

TUBING, CASING AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size posted ID 10-26-90
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF Chg OP

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Travis Reed
Signature
TRAVIS REED PRODUCTION SUPERINTENDENT
Printed Name
10/08/90 **915/683-6293**
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved **OCT 23 1990**

By **ORIGINAL SIGNED BY**
MIKE WILLIAMS
Title **SUPERVISOR, DISTRICT II**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.

2) All sections of this form must be filled out for allowable on new and recompleted wells.

number transporter, or other such changes.

RECEIVED BY
SANTA FE NEW MEXICO 87501

SEP 18 1985

REQUEST FOR ALLOWABLE
AND
O. C. D.
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

LAND OFFICE	<input checked="" type="checkbox"/>
TRANSPORTER	<input checked="" type="checkbox"/>
OPERATOR	<input checked="" type="checkbox"/>
PRODUCTION OFFICE	<input checked="" type="checkbox"/>

Fred Pool Drilling, Inc.

Address
P. O. Box 1393 Roswell, N.M. 88201

Reason(s) for filing (Check proper box)

New Well	<input checked="" type="checkbox"/>	Re-entry	Change in Transporter of:
Recompletion	<input type="checkbox"/>		Oil <input type="checkbox"/>
Change in Ownership	<input type="checkbox"/>		Casinghead Gas <input type="checkbox"/>

Other (Please explain)

CASINGHEAD GAS MUST NOT BE
FLARED AFTER 10-24-85If change of ownership give name
and address of previous owner.UNLESS AN EXCEPTION FROM
THE B. L. M. IS OBTAINED

II. DESCRIPTION OF WELL AND LEASE

Lease Name Chukka Federal	Well No. 2	Pool Name, Including Formation Artesia Oil Pool	Kind of Lease State, Federal or Fee Federal	Lease 6852
Location Unit Letter E : 1980 Feet From The North Line and 660 Feet From The West Line of Section 12- Township 18S Range 27E, N1PM, Eddy				

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Navajo Crude Oil Purchasing	Address (Give address to which approved copy of this form is to be sent) Box 159 Artesia, N.M. 88210
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Phillips Petroleum	Address (Give address to which approved copy of this form is to be sent) Bartlesville, Okla.
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. E 12 18S 27E
Is gas actually connected?	When no

If this production is commingled with that from any other lease or pool, give commingling order number:

COMPLETION DATA

Designate Type of Completion - (X)	Oil Well <input checked="" type="checkbox"/>	Gas Well <input type="checkbox"/>	New Well <input type="checkbox"/>	Workover <input checked="" type="checkbox"/>	Deepen <input type="checkbox"/>	Plug Back <input type="checkbox"/>	Same Hst. <input type="checkbox"/>	Diff. H. <input checked="" type="checkbox"/>
Date Spudded 8-30-85	Date Compl. Ready to Prod. 9-10-85	Total Depth 1912 ft.	P.B.T.D. 1912 ft.					
Elevations (DF, R.R.B., RT, CR, etc.) GR 3607	Name of Producing Formation Penrose	Top Oil/Gas Pay 1446 ft.	Tubing Depth 1804					
Perforations 1446-56 1459-62	Depth Casing Shoe -							

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE 11"	CASING & TUBING SIZE 8 7/8"	DEPTH SET 2000	SACKS CEMENT 600
	2 7/8"	1804	

Post ID-2
9-27-85
CAMPTEST DATA AND REQUEST FOR ALLOWABLE
OIL WELL(Test must be after recovery of total volume of load oil and must be equal to or greater than top of
able for this depth or be for full 24 hours)

Date First New Oil Run To Tanks 9-12-85	Date of Test 9-12-85	Producing Method (Flow, pump, gas lift, etc.) pumping	
Length of Test 24 hrs.	Tubing Pressure 40#	Casing Pressure 40#	Choke Size none
Actual Prod. During Test 31 bbls	Oil-Bbls. 31	Water-Bbls. 0	Gas-MCF TSTM

GAS WELL

Actual Prod. Test-MCF/D TSTM	Length of Test 24hrs.	Bbls. Condensate/MMCF TSTM	Gravity of Condensate -
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size none

CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation
Division have been complied with and that the information given
above is true and complete to the best of my knowledge and belief.Fred Pool
(Signature)

Vice President

(Title)

9-16-85

(Date)

OIL CONSERVATION DIVISION

SEP 24 1985

APPROVED _____, 19____

BY _____ Original Signed By
Les A. Clements

TITLE _____ Supervisor District 11

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deep
well, this form must be accompanied by a tabulation of the device
tests taken on the well in accordance with RULE 111.All sections of this form must be filled out completely for all
able on new and recompleted wells.Fill out only Sections I, II, III, and VI for changes of
well name or number, or transporter, or other such change of condition.

b. TYPE OF COMPLETION:

NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other _____

2. NAME OF OPERATOR

Fred Pool Drilling, Inc. ✓

3. ADDRESS OF OPERATOR

P.O. Box 1393 Roswell, N.M. 88201

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

At surface 1980 FNL660 FWL SW $\frac{1}{4}$ NW $\frac{1}{4}$ Unit E.

At top prod. interval reported below

1446- ft.

At total depth

1912 ft.

14. PERMIT NO.

DATE ISSUED

3001520894

9-30-85

5. FARM OR LEASE NAME

Chukka Federal

9. WELL NO.

2

10. FIELD AND POOL OR WILDCAT

Artesia Oil Pool

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 12-T18S-R27E

12. COUNTY OR PARISH

Eddy

13. STATE

NM

15. DATE SPUDDED

8-30-85

16. DATE T.D. REACHED

9-6-85

17. DATE COMPL. (Ready to prod.)

9-10-85

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

3607 GR

19. ELEV. CASINGHEAD

3607 GR

20. TOTAL DEPTH, MD & TVD

1912 ft.

21. PLUG, BACK T.D., MD & TVD

1912 ft

22. IF MULTIPLE COMPL., HOW MANY*

23. INTERVALS DRILLED BY

ROTARY TOOLS

X

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

1446-1462 ft.

Penrose

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

Compensated Neutron

27. WAS WELL CORED

no

28.

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	32#	2000	11"	circulated	0

29.

LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8	1804 ft.	

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

1446-56 ft.

1459-62 ft. 14 holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
1446-56	1000 gal. NE 15%, 30.0
1459-62	gal. Versagel; 30,000
	20/40 sand; 12,000# 10/
	sand.

33.*

PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
9-12-85		Pumping				Producing	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
9-12-85	24	none	→	31	TSTM	0	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
40#	40#	→	31	TSTM	0	35	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

vented

TEST WITNESSED BY

SEP 19 1985 Fred Pool, Jr.

35. LIST OF ATTACHMENTS

Compensated Neutron log, mailed 9-10-85

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Fred Pool

TITLE Vice President

DATE 9-13-85

*(See Instructions and Spaces for Additional Data on Reverse Side)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
BUREAU OF LAND MGMT.
N.M.S.O. SANTA FE
NM 6852

TRANSFER, ASSIGNMENT, OR SUBLEASE
OF OPERATING RIGHTS IN OIL AND GAS LEASE

NOV 27 1985

AM 7:18 PM 11:12:12:3:4:5:6

1. Assignor's Name
Fred Pool, Jr. (95%) T. Calder Ezzell, Jr. (5%)
Address
P. O. Box 1393 P. O. Box 10
Roswell, NM 88201 Roswell, NM 88201

The undersigned, as owner of 100 percent of operating rights in the above-described oil and gas lease, hereby transfers, assigns, and/or subleases to the assignee shown above, the operating rights in such lease, as identified below.

2. Describe the lands affected by this transfer, assignment, and/or sublease (43 CFR 31.12-1 or 31.12-4):

Township 18 South, Range 27 East

Section 12: SW1/4, limited however, to a subsurface depth of 2012 feet.

APPROVAL DOES NOT WARRANT THAT
EITHER PARTY TO THIS TRANSFER HOLDS
LEGAL OR EQUITABLE TITLE TO THIS
LEASE.

3. Specify interest or percent of operating rights being conveyed to assignee	100%
4. Specify interest or percent of operating rights being retained by assignor	None
5. Specify overriding royalty interest being reserved by assignor	12 1/2%
6. Specify overriding royalty previously reserved or conveyed, if any	None
7. If any payments out of production have previously been created out of this interest, or if any such payments are being reserved under this transfer, assignment, or sublease, attach statement giving full details as to amount, method of payment, and other pertinent terms as provided under 43 CFR 3106.	

It is agreed that the obligation to pay any overriding royalties or payments out of production of oil created herein, which, when added to overriding royalties or payments out of production previously created and to the royalty payable to the United States, aggregate in excess of 17 1/2 percent, shall be suspended when the average production of oil per well per day averaged on the monthly basis is 15 barrels or less.

I CERTIFY That the statements made herein are true, complete, and correct to the best of my knowledge and belief and are made in good faith.

Executed this 15th day of October, 1985

Don L. Benscoter
Don L. Benscoter (Signature)
Ruth Benscoter
Ruth Benscoter (wife of Don L. Benscoter)

610 East Sage Drive
(Assignor's Address)
Scottsdale, Arizona 85253
(City) (State) (Zip Code)

Under 18 U.S.C. Section 1074, makes it a crime for any person knowingly and willfully to make any statement or representation to any department or agency of the United States which is false, fictitious, fraudulent, or otherwise in violation of the provisions of 18 U.S.C. Section 1074.

THE UNITED STATES OF AMERICA

Assignment approved effective DEC 1 1985 by Alice S. Roybal
(Authorized Official)

FOR Chief, Lands and Oil and Gas Unit SEP 19 1986
(Title) (Date)

and with provisions of 43 CFR 3106.

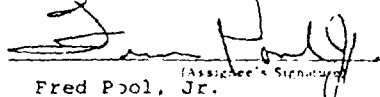


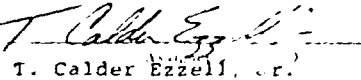
PART II

ASSIGNEE'S APPLICATION FOR APPROVAL OF TRANSFER OF OPERATING RIGHTS AND AN OPERATING AGREEMENT - BUREAU

- A. ASSIGNEE CERTIFIES THAT the assignee and all other parties in interest (as defined in 43 CFR 31.101-2) in this assignment are:
1. Citizens of the United States or qualified alien stockholders in a domestic corporation, association of the United States, or any State or Territory thereof, or municipalities;
 2. Of the age of majority in the State where the lands to be assigned are located;
 3. In compliance with the acreage limitation set forth in 43 CFR 3101.1-5 and 3101.2-4.
- B. ASSIGNEE AGREES THAT, upon approval of this transfer of operating rights and/or operating agreement (as defined by the authorized officer of the Bureau of Land Management), he will be bound by the terms and conditions of the lease described herein as to the interests covered by this assignment, including, but not limited to, the obligation to conduct all operations on the leasehold in accordance with the terms and conditions of the lease, to condition all wells for proper abandonment, to restore the leased land upon completion of any drilling operations as prescribed in the lease, and to furnish and maintain such bond as may be required by the lessor pursuant to the regulations of 43 CFR 3101.2).
- C. IT IS HEREBY CERTIFIED That the statements made herein are true, complete, and correct to the best of undersigned's knowledge and belief and are made in good faith.

Executed this 18th day of October, 1985.


 Fred Pool, Jr.
 P. O. Box 1393
 Roswell, New Mexico 88201


 T. Calder Ezzell, Jr.
 P. O. Box 10
 Roswell, New Mexico 88201

(City) (State) (Zip Code)

Title 18 U.S.C., Section 1001, makes it a crime for any person knowingly and willfully to make any statement in agency of the United States and false, fictitious, or fraudulent statements or representations or to omit any material within its jurisdiction.

INSTRUCTIONS

- | | |
|---|--|
| <p>1. USE OF FORM - Use only for assignment of operating rights (including work interests) in oil and gas leases. If transfer of operating rights is accompanied by an operating agreement, a single copy of such agreement must be submitted with the assignment. If more than one transfer of operating rights is made out of a lease, a separate instrument of transfer is required for each assignment. A separate instrument of assignment shall be used for each lease out of which an assignment is made.</p> <p>2. FILING AND NUMBER OF COPIES - File three (3) completed</p> | <p>and manually signed copies in the appropriate BLM office. A \$25.00 nonrefundable filing fee must accompany this assignment. File assignment within ninety (90) days after date of final execution.</p> <p>3. EFFECTIVE DATE OF ASSIGNMENT - The assignment, if approved, takes effect on the first day of the month following the date of filing of all required papers. If an operator's bond is required, it must be furnished prior to approval of the assignment.</p> |
|---|--|

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.24-10 provide that you be furnished the following information in connection with information required by this assignment and request for approval.

AUTHORITY: 30 U.S.C. et. seq.

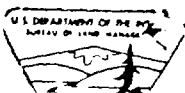
PRINCIPAL PURPOSE - The information is to be used to process the assignment and request for approval.

ROUTINE USES:

- (1) The application of the assignee's rights to the land or resource;
- (2) Documentation for public information in support of negotiations made on land status records for the management, disposal, and use of public lands and resources;
- (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources;
- (4) Information from the record and system records will be transmitted to appropriate Federal, State, local, or foreign agencies, when relevant to civil, criminal, or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION - If all the information is not provided, the assignment may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) requires that this information is being collected pursuant to the law (43 CFR 31.101-2). This information will be used to create a record of lease assignments. Response to this request is required to obtain a benefit.



SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER DRY HOLE		7. UNIT AGREEMENT NAME DIAMOND FED. GAS CON	
2. NAME OF OPERATOR Amoco Production Company ✓		8. FARM OR LEASE NAME SEP - 6 1974	
3. ADDRESS OF OPERATOR BOX 68, HOBBS, N. M. 88240		9. WELL NO. 1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1980' FNLY 660' FWL Sec. 12 (UNIT E, SE 1/4 NW 1/4)		10. FIELD AND POOL, OR WILDCAT SCOGGIN DRAW MORRO	
14. PERMIT NO.		11. SEC., T., R., N., OR BLK. AND SURVEY OR AREA 12-18-27 NMP	
15. ELEVATIONS (Show whether DF, RT, OR, etc.) 3623' R.D. B.		12. COUNTY OR PARISH EDDY	
		13. STATE NM	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐
FRACTURE TREAT ☐
SHOOT OR ACIDIZE ☐
REPAIR WELL ☐
(Other) ☐

PULL OR ALTER CASING ☐
MULTIPLE COMPLETS ☐
ABANDON* ☐
CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐
FRACTURE TREATMENT ☐
SHOOTING OR ACIDIZING ☐
(Other) ☐

REPAIRING WELL ☐
ALTERING CASING ☐
ABANDONMENT* ☒

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

*Physical abandonment of well concluded 8-31-73.
Plugged and abandoned as follows:*

SX CEMENT	INTERVAL	LENGTH	FORMATION
45	9775 - 9765	100'	MORROW
50	7535 - 7435	100'	CIACO
40	5556 - 5456	100'	ABO
50	3720 - 3620	100'	YESO
40	2045 - 1945	878' CSA	1995' - circ.
10	Surface & erected P & A marker.		

*all intervals filled w/ mud.
Location to be cleaned & leveled.*

18. I hereby certify that the foregoing is true and correct

SIGNED

Ray E. Yorkum

TITLE **ADMINISTRATIVE ASSISTANT**

DATE **SEP 5 1973**

(This space for Federal or State office use)

APPROVED BY **APPROVED**
CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

*04-4-USGS
1-DIV
1-SUSP
1-RRV
1-ARCO*

SEP 6 1974
R. L. BEEKMAN
ACTING DISTRICT ENGINEER

*See Instructions on Reverse Side

RECEIVED
SEP - 6 1973
U.S. DEPARTMENT OF THE INTERIOR
ARIZONA



PETROLEUM, INC.

100 Crescent Court
Suite 1600
Dallas, Texas 75201-6927

Phone: (214) 871-3555
Telecopy: (214) 871-3560

Executive Offices

March 10, 1999

Mr. Paul Haden
Mewbourne Oil Company
500 West Texas, Ste. 1020
Midland TX 79701

Re: Permission to Inject Wastewater into the Wolfcamp, Cisco and Canyon Zones
SW NW Section 12 - T18S - R27E
Eddy County, New Mexico

Gentlemen:

Holly Petroleum, Inc. (Holly) is in the process of acquiring the shallow wellbore (surface to 2,012') of the Chucka Federal No. 2 well which was originally drilled as the Amoco Diamond Federal Gas Comm No. 1, a dry Morrow test.

Our records indicate that Mewbourne Oil Company (Mewbourne) et al, does not own this wellbore but they do own the oil and gas leases from the base Abo (6,250') to 100' below the base of the Morrow. Holly or its designee would like to dispose of waste water into the lower Wolfcamp, Cisco and Canyon formations between the intervals 7,500 to 8,300 feet in the Diamond Federal Gas Comm No. 1 wellbore. Prior to any injection, Holly would permit the BLM and the New Mexico OCD and be in compliance with the various regulations. Part of the OCD permit process is to notify you and other interested parties of the project and give you a chance to object. We respectfully request Mewbourne's permission to dispose of wastewater in the above interval.

Enclosed is a copy of the Completion report for the Diamond Federal Gas Comm No. 1 well. Also enclosed is a lease take-off from the BLM files in Santa Fe indicating that Mewbourne shares their interests with Curtis W. Mewbourne and Summit Exploration, LLC. Please verify that Mewbourne controls 100 percent of these interests - either by ownership or operatorship.

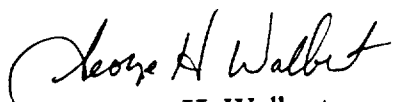
Mr. Paul Haden

Page 2

March 10, 1999

Please let me know at your earliest convenience whether or not you plan to object to the formal notice of our project. Thank you for your consideration.

Yours very truly,

A handwritten signature in cursive script, reading "George H. Walbert".

George H. Walbert
Vice President

GHW/tr

Enclosures

MEWBOURNE OIL COMPANY

500 W. TEXAS, SUITE 1020
MIDLAND, TEXAS 79701

(915) 682-3715
FAX (915) 685-4170

March 16, 1999

HOLLY PETROLEUM, INC.
100 Crescent Court, Suite 1600
Dallas, Texas 75201-6927

Attn: Mr. George Walbert

Re: Permission to Inject Wastewater;
Chucka Federal No. 2 Well
SW/4NW/4 of Section 12,
T18S, R27E
Eddy County, New Mexico

Gentlemen:

Reference is made to your letter dated March 10, 1999 wherein Holly or its designee proposed to dispose of wastewater in the captioned well as described therein. Regarding same, Mewbourne Oil Company as Operator of the N/2 of the captioned Section 12 insofar as the rights from the base of the Abo formation to 100 feet below the base of the Morrow formation is concerned has no objection for Holly or its designee to dispose of wastewater in the interval and well described in the referenced March 10, 1999 letter.

Should you require anything further regarding the above, please call.

Sincerely yours,

MEWBOURNE OIL COMPANY

A handwritten signature in black ink, appearing to read "D. Paul Haden", written in a cursive style.

D. Paul Haden
Senior Landman

DPH/gb