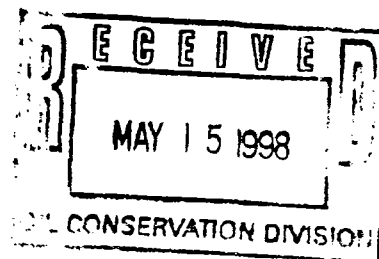


Shahara Oil, LLC

207 W. McKay ♦ Carlsbad, NM 88220 ♦ 505-885-5433 ♦ Fax 505-885-4989

May 13, 1998

Ms. Lori Wrotenbery, Director
Oil Conservation Division
PO Box 6429
Santa Fe, NM 87505



RE: Cases No. 11923 & 11924
Shahara Oil, LLC

Dear Ms. Wrotenbery,

The captioned matter was the Application of Shahara Oil, LLC for (1) approval of the proposed Shahara State Unit, (2) creation of a waterflood and tertiary recovery project, (3) approval of two unorthodox oil well locations, and (4) qualification of that project for the recovered oil tax rate. The property is situate in Lea County.

The matter came on for hearing before Examiner Michael Stogner on February 19, 1998, after which it was taken under consideration by him.

Before making my plea, I wish to make it clear in no uncertain terms that both Mr. Stogner and the Division are held in the highest regard by this writer for when I have appeared before him in Santa Fe, on behalf of Shahara Oil or other companies, Mr. Stogner has always been most courteous. His questions are salient and directly to point, and the Division's Orders reasonable and well written. I can not help but believe that the tasks placed on his shoulders are many.

My plea to you in this instance is to seek an expedited order in the captioned matter. Shahara Oil is truly a small, independent operator and the writer is it. I undertook the evaluation and acquisition of the properties (which are certainly marginal), handle all the day-to-day operations - and empty the waste baskets in the evening.

If the application is approved, Shahara Oil can commence its program which should result in substantial additional production. Delay in commencing the program places an onerous economic burden on me.

Very truly yours,

A handwritten signature in cursive script that reads "Perry L. Hughes".

Perry L. Hughes

cc: Paul A. Cooter



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PAUL A. COOTER, Of Counsel

April 13, 1998

Mr. Michael Stogner
New Mexico Oil Conservation Division
PO Box 6429
Santa Fe, NM 87505

Re: Cases No. 11923 and 11924 - Shahara Oil LLC

Dear Mr. Stogner:

The only interest owner which had not ratified the Unit Agreement in the captioned cases was Norwest Bank of Texas, Executor, which owned a small, overriding royalty interest. That ratification has now been received and is forwarded with this letter for filing.

Very truly yours,

Paul A. Cooter

PAC/smb
cc: Perry Hughes

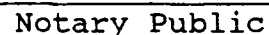
The undersigned acknowledges receipt of a copy of that certain Unit Agreement for the Development and Operation of the Shahara State Unit Area, Lea County, New Mexico, and hereby ratifies the same for all purposes.

~~(Signature)~~

IS: VICE PRESIDENT

10-20-2001

Debra Ann Barnes
Notary Public

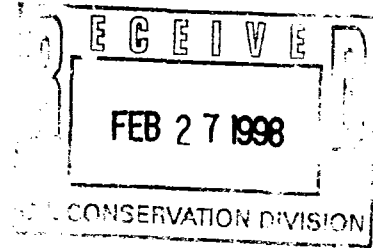


Shahara Oil, LLC

207 W. McKay ♦ Carlsbad, NM 88220 ♦ 505-885-5433 ♦ Fax 505-885-4989

February 24, 1998

Mr. Michael Stogner
Oil Conservation Division
2040 S Pacheco
Santa Fe, NM 87504

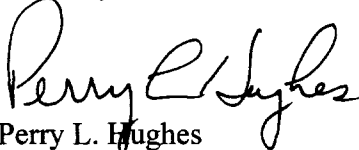


RE: Shahara Oil, LLC
Case No.s 11923 & 11924 Combined
Hearing of February 19, 1998

Dear Mr. Stogner,

Per your request at the referenced hearing, attached is additional information regarding two plugged wells within in Area of Review for the proposed Shahara State Unit. These wells, the Phillips Petroleum Phillips "E" State No. 9 in Section 9 and the Phillips Petroleum Leamex No. 11 in Section 16, appear to have been well cemented initially and plugged and abandoned properly. This should allow Shahara injection into the Grayburg and San Andres formations without possibility of injection fluids leaving these formations. Please advise if I can provide additional information.

Sincerely,



Perry L. Hughes
President

Enclosures
PLH/tm

CC: Paul Cooter

Phillips "E" State No. 9

7 7/8" hole to 4450'

5 1/2" casing @ 4450' w/100 sx

5 1/2" casing x 7 7/8" hole = 0.1733 Ft³/Ft

Assume Class "C" neat mixed @ 14.8 #/gal - Yield = 1.32 Ft³/sack

1.32 x 100sx = 132 Ft³

132 Ft³/0.1733 Ft³/Ft = 762ft

4450' - 762' = 3688'

Calc Top of Cement = 3688'

Phillips Petroleum Company
Phillips "E" State #9
 1980' FSL & 1980' FWL, Unit K
 Section 9, T17S, R33E
 Plugged 04/06/95

155 sx plug Surf-352'

Perf @ 352'

12" hole to 302'

8⁵/₈" CSG @ 302'

w/ 200 sx - circ.

Perf @ 1230'

25 sx plug @ 1293'-1540'

Perf @ 2740'

50 sx plug @ 2558-2740'

35 sx plug @ 3894-4240'

5¹/₂" CBP @ 4241'

CALC. TOP OF CMTE 3688'

EST. TOP OF GRANBURG = 4150'

Granburg perms @

4344'-4444'

5¹/₂" CSG @ 4450'

w/ 100 sx

17¹/₂" hole to 4450'

Phillips Leamex No. 11

1. 7 7/8" hole to 11,310'

5 1/2" casing set @ 11,309' w/913sx

5 1/2' casing x 7 7/8" hole = 0.1733 Ft³/Ft

5 1/2" casing x 8 5/8" casing = 0.1926 Ft³/Ft

Assume Class "C" cmt neat mixed at 14.8#/gal

giving yield of 1.32 Ft³/sx

913 x 1.32 = 1205 Ft³

Volume of 7 7/8" hole x 5 1/2" csg from 8 5/8" csg shoe @ 4549' is 1172 Ft³

Therefore 1205 - 1172 = 33 Ft³ cmt in annulus between 5 1/2" csg &

8 5/8" csg = 171 Ft

Therefore Top of Cement inside 8 5/8" csg = 4378 Ft

2. 8 5/8" csg x 12 1/4" hole = 0.4127 Ft³/Ft

Assume Class "C" mixed at 14.8#/gal giving yield of 1.32 Ft³/sx (Probably Low)

516 x 1.32 = 681 Ft

681/0.4127 = 1650'

Calc Top of Cement behind 8 5/8" casing = 2899'

3. Pool Designation: Maljamar Grayburg San Andres

Unitized Interval: Grayburg (top≈4100'), and San Andres (top≈4400')
to 5500' (base of Shahara rights). Estimated base of
San Andres ≈ 5850'

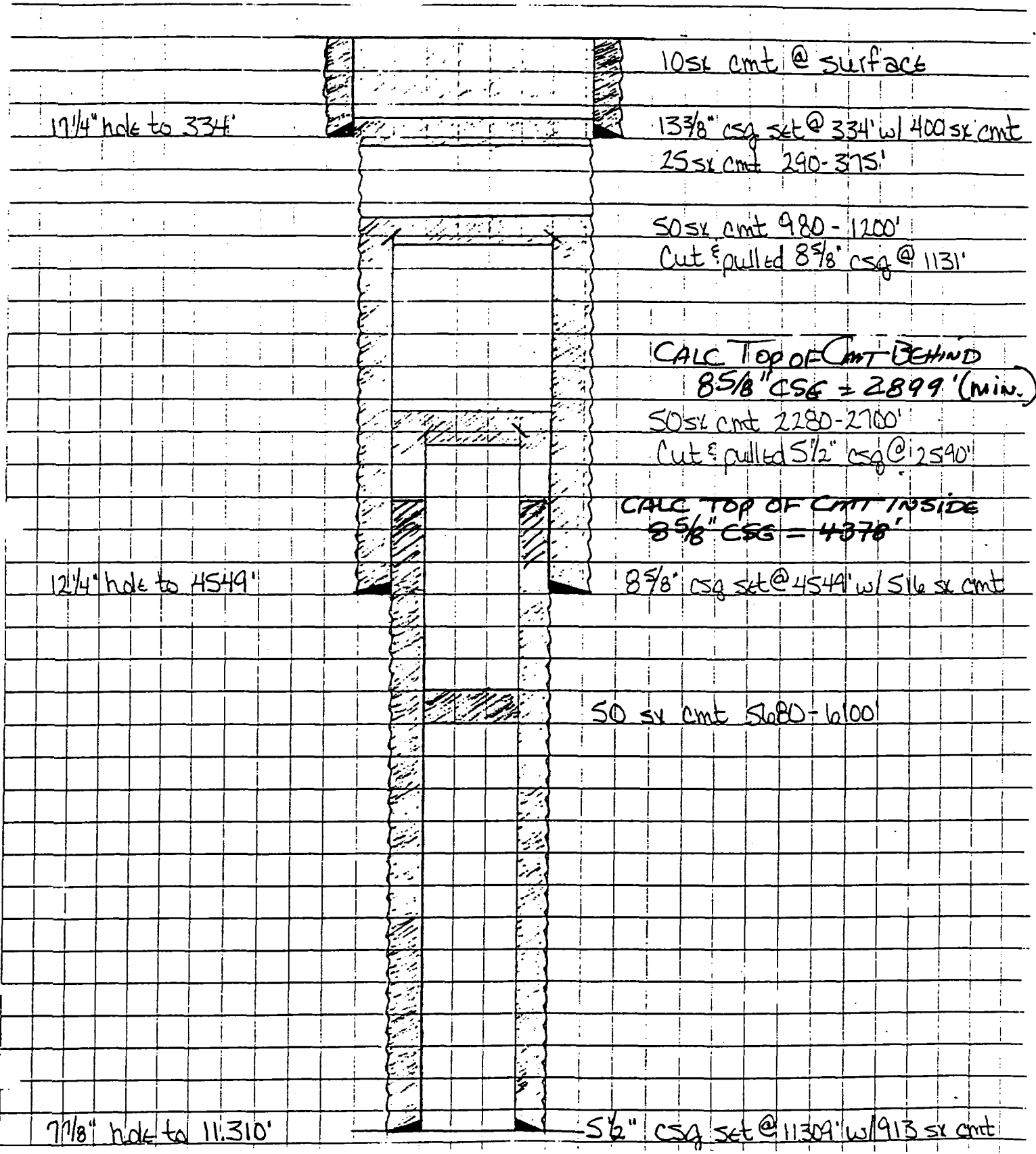
Phillips Petroleum Company

Leamex #11

2309' FSL & 1980' FWL, Unit K

Section 16-T17S-R33E

Plugged 10/07/61



17 1/4" hole to 334'

10 sk cmt @ surface

13 3/8" csq set @ 334' w/ 400 sk cmt
25 sk cmt 290-375'

50 sk cmt 980-1200'
Cut & pulled 8 5/8" csq @ 1131'

CALC TOP OF CMT BEHIND
8 5/8" CSQ = 2899' (min.)

50 sk cmt 2280-2700'
Cut & pulled 5 1/2" csq @ 2540'

CALC TOP OF CMT INSIDE
8 5/8" CSQ = 4378'

12 1/4" hole to 4549'

8 5/8" csq set @ 4549' w/ 516 sk cmt

50 sk cmt 5080-6100'

7 7/8" hole to 11310'

5 1/2" csq set @ 11309' w/ 913 sk cmt

Exhibit "D"
Plugged and Abandoned Well Data
Attachment to Shahara State Unit C-108

Operator - Well Name Location	Plug Date	TD	Perfs	Casing Size	Casing Depth	Cement Sacks/Top
Phillips Petroleum Company Phillips "E" State #8 660' FSL & 660' FWL, Unit M Section 9-T17S-R33E	03/31/95	4458'	4309-4410'	8 5/8" 5 1/2"	290' 4454'	175 sx/circ 125 sx
Phillips Petroleum Company Phillips "E" State #8 660' FSL & 1980' FWL, Unit N Section 9-T17S-R33E	04/04/95	4436'	4332-4426'	8 5/8" 5 1/2"	295' 4435'	185 sx/circ 50 sx
Phillips Petroleum Company Phillips "E" State #9 1980' FSL & 1980' FWL, Unit K Section 9-T17S-R33E	04/06/95	4450'	3894-4240' 4344-4444'	8 5/8" 5 1/2"	302' 4450'	200 sx/circ 100 sx
Phillips Petroleum Company Phillips "E" State #10 990' FSL & 1650' FWL, Unit O Section 9-T17S-R33E	04/08/95	4570'	4357-4455'	8 5/8" 4 1/2"	376' 4566'	300 sx/circ 270 sx
Phillips Petroleum Company Learnex #11 2309' FSL & 1980' FWL, Unit K Section 16-T17S-R33E	10/07/61	11310'		13 3/8" 8 5/8" 5 1/2"	334' 4545' 11309'	400 sx 516 sx 913 sx
Phillips Petroleum Company Learnex #14 660' FNL & 1980' FEL, Unit B Section 21-T17S-R33E	11/12/92	4553'	4282-4365'	8 5/8" 5 1/2"	360' 4553'	250 sx/circ 300 sx/TOC 2570'
Phillips Petroleum Company Learnex #25 1650' FNL & 760' FWL, Unit E Section 21-T17S-R33E	03/13/83	11500'	8973-11374'	13 3/8" 8 5/8" 5 1/2"	376' 4702' 11499'	500 sx/circ 1900 sx/circ 900 sx/TOC 3420'
Phillips Petroleum Company Learnex #57 460' FSL & 905' FWL, Unit M Section 16-T17S-R33E	03/04/97	15200'	13562-14900'	13 3/8" 8 5/8" 5 1/2"	405' 4640' 13850'	500 sx/circ 1800 sx/circ 1470 sx
				(5 1/2" csg cut & pld @ 3200') (5 1/2" csg cut & pld @ 2590') (5 1/2" csg cut & pld @ 1131') (5 1/2" csg cut & pld @ 2590')		

Kemp, Smith, Duncan & Hammond, P.C.

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OF COUNSEL: JOSEPH P. HAMMOND
RAYMOND H. MARSHALL

OF COUNSEL: PAUL A. COOTER*

* MEMBERS TEXAS BAR
† MEMBERS NEW MEXICO BAR

** MEMBERS IDAHO BAR
†† MEMBERS COLORADO BAR

*** MEMBERS NEW MEXICO AND CALIFORNIA BARS
††† MEMBERS IOWA BAR

**** MEMBERS FLORIDA AND MICHIGAN BARS
†††† MEMBERS DISTRICT OF COLUMBIA BAR

February 3, 1998

Ms. Florine Davidson
New Mexico Oil Conservation Division
PO Box 6429
Santa Fe, NM 87505

Re: Application of Shahara Oil, L.L.C.

Dear Ms. Davidson:

The writer recently forwarded to you for filing the captioned application wherein Shahara Oil sought, among other matters, approval of two proposed unorthodox well locations in the W/2 Section 16. Please note paragraph 7 of that application. Those two unorthodox locations have been changed to the Phillips State No. 100 Well located 1330 feet FNL and 140 feet FWL of said Section 16 and the Phillips State No. 101 Well located 2630 feet FNL and 140 feet FWL of said Section 16.

The Wiser Oil Company which is the offsetting operator has consented to those two wells as heretofore described, and the same have been approved by Gary Wink, the Division's Field Representative.

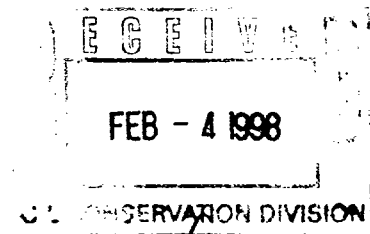
Shahara Oil's application has been set for hearing February 19. In my telephone call to Michael Stogner this morning, it was suggested that I write this letter to you setting forth those revised locations.

Very truly yours,



Paul A. Cooter

PAC/smb



mt, case 11924

F A X C O V E R P A G E**KEMP, SMITH, DUNCAN & HAMMOND, P.C.****ATTORNEYS AT LAW**

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Date: February 17, 1998**No. of Pages: 5** (including this cover page)**ORIGINALS WILL FOLLOW BY MAIL: NO****PLEASE DELIVER TO:**

Name	Michael Stogner	Fax	505/827-8177
Company	NM Oil Conservation Div.		
Name	James Bruce	Fax	505/982-2151
Company			

FROM:

Sender's Name	Paul A. Cooter	Person to Contact (if different from Sender)	Sue Bowersock
		File Number	09638.00100

COMMENTS:

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Kemp, Smith, Duncan & Hammond, P.C.

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†††† MEMBERS DISTRICT OF COLUMBIA BAR

February 17, 1998

By Fax: 505/827-8177

Mr. Michael Stogner
New Mexico Oil Conservation Division
PO Box 6429
Santa Fe, NM 87505

Re: Case Nos. 11923 and 11924

Dear Mr. Stogner:

Faxed to you with this letter is the Prehearing Statement of Shahara Oil, LLC, the Applicant in the captioned cases.

Your attention is invited to the fact that Applicant will request a joinder of these two cases for hearing purposes.

Very truly yours,



Paul A. Cooter

PAC\smb
cc w/enc.: James Bruce (505/982-2151)

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
SHAHARA OIL, LLC, FOR (1) APPROVAL OF THE
PROPOSED SHAHARA STATE UNIT, (2) CREATION
OF A WATERFLOOD AND TERTIARY RECOVERY PROJECT
(3) APPROVAL OF TWO UNORTHODOX OIL WELL
LOCATIONS, AND (4) QUALIFICATION OF THAT
PROJECT FOR THE RECOVERED OIL TAX RATE,
LEA COUNTY, NEW MEXICO.

CASE NOS. 11923 and 11924

PREHEARING STATEMENT

This Prehearing Statement is submitted by the Applicant
Shahara Oil, L.L.C., by and through its attorneys of record.

APPEARANCES OF PARTIES

PARTY

Shahara Oil, L.L.C.
207 W. McKay
Carlsbad, NM 88220
915/686-9927

ATTORNEY

Kemp, Smith, Duncan &
Hammond, P.C.
Paul A. Cooter
PO Box 1276
Albuquerque, NM 87103-1276
505/247-2315

OPPOSITION OR OTHER PARTY

None known at this time.

STATEMENT OF CASE

Applicant applies for an Order (1) approving the Shahara State Unit in Lea County, New Mexico, covering the land and formations described in its Application, (2) creating a secondary waterflood and tertiary recovery project using micro-organisms for enhanced recovery of oil from that Unit, (3) approving two new proposed unorthodox oil well locations for producing wells along the west edge of the Unit, and (4) qualifying that project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act."

PROPOSED WITNESSES**WITNESS****ESTIMATED TIME**

Perry L. Hughes
H. L. Atnipp


1 hour
30 min.

A list of Shahara Oil's proposed exhibits in this case (13 in number, including the four attached to its Application) is attached hereto. In addition, Applicant will submit an Affidavit of Mailing of the Application to all interested parties.

PROCEDURAL MATTERS

Applicant respectfully requests the joinder of Cases 11923 and 11924 for the purpose of this hearing.

KEMP, SMITH, DUNCAN & HAMMOND, P.C.



Paul A. Cooter
Attorneys for Shahara Oil, LLC
PO Box 1276
Albuquerque, NM 87103
(505) 247-2315

**EXHIBITS FOR SHAHARA OIL'S
W/2 SECTION 16 UNIT**

ATTACHED TO THE APPLICATION:

1. Unit Agreement with Ratifications (15 - all WI and ORRI owners except Dale McCarter and Norwest Bank, Trustee)
2. Form C-108 with following listed attachments
Statement (2 p)
A) Map - Area of Review
A-1) Enlarged Map - Development Plan
B) Well Data and Schematic Diagrams of Proposed Injection Wells (4 p)
C) Well Data for Wells within the Area of Review (3 p)
D) Well Data & Schematic Diagram of Plugged and Abandoned Well Bores within the Area of Review (10 p)
3. Cooperative Unit Line Well and Unit Line Infill Drilling Agreement between The Wiser Oil Company and Shahara Oil, with attached Operating Agreement
4. Unit Operating Agreement with Ratifications (6 - all WI owners except McCarter)

NEW EXHIBITS:

5. McCarter's Ratifications (2 - Unit Agreement and Unit Operating Agreement)
6. Structure Map
7. Cross-Section (A-A')
8. Cross-Section (B-B')
9. Area Map with injection pressures of other area wells
10. Applications for Permit to Drill and Well Location and Acreage Dedication Plats for Phillips State Wells Nos. 9, 10, 11, 12, 13, 14, 15, 100, 101
11. Approval by Wiser Oil (12/8/97) of revised locations for Wells Nos. 100 and 101
12. Pressurized Water Sale Agreement between Wiser Oil and Shahara Oil
13. Financial Summary and Summary of Redevelopment Costs

Case
11923

Kemp, Smith, Duncan & Hammond, P.C.

ATTORNEYS AT LAW

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ROSS L. CROWN
P. RENEE REIMER*
CLINTON W. MARRS
NICKAY B. MANNING
CHARLOTTE LAMONT††††
ALAN HALL
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JANINE R. FRIEDE††
HEATHER J. SAFFELL
JEFFREY H. ALBRIGHT

OF COUNSEL: JOSEPH P. HAMMOND
RAYMOND H. MARSHALL

OF COUNSEL: PAUL A. COOTER*

* MEMBERS TEXAS BAR
† MEMBERS NEW MEXICO BAR

** MEMBERS IDAHO BAR
†† MEMBERS COLORADO BAR

*** MEMBERS NEW MEXICO AND CALIFORNIA BARS
††† MEMBERS IOWA BAR

**** MEMBERS FLORIDA AND MICHIGAN BARS
†††† MEMBERS DISTRICT OF COLUMBIA BAR

January 28, 1998

By Fax: 505/827-8177

Mr. Michael E. Stogner
Chief Hearing Officer/Engineer
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Dept.
2040 South Pacheco
PO Box 6429
Santa Fe, NM 87505

Re: Application of Shahara Oil, L.L.C. for its Shahara State Unit

Dear Michael:

Forwarded to you with this letter is a copy of Order R-3155 granting Shenandoah Oil Corporation's Application for the injection of water in the Phillips State No. 2 Well located in Unit D of Section 16. This answers your morning's inquiry.

With regards, I am

Very truly yours,

Paul A. Cooter
Paul A. Cooter

PAC/smb
enclosure

Kemp, Smith, Duncan & Hammond, P.C.

ATTORNEYS AT LAW

500 MARQUETTE N.W., SUITE 1200, ALBUQUERQUE, NEW MEXICO 87102-5311 | P.O. BOX 1276, 87103-1276 | 505 247-2315 | FAX 505 764-5480

EL PASO*

TAD R. SMITH
CHRIS A. PAUL
JIM CURTIS
DANE GEORGE
MICHAEL D. McQUEEN
DARRELL R. WINDHAM
ROGER D. AKSAMIT
MICHAEL F. AINSAT ††
YVONNE K. PUIG
CHARLES A. BECKHAM, JR.
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KENNETH R. CARR

MARK R. FLORA****
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Re: Application of Shahara Oil, L.L.C. for its Shahara State Unit

Dear Michael:

After your inquiry, Shahara Oil reviewed the records obtained from Lynx Petroleum Consultants, from whom it purchased the property in February, 1995 and learned the following facts:

1. The well was originally drilled by Pair Oil Company in April, 1959, and designated the Pair State No. 2 Well. A copy of the relevant Commission's Form C-101 is enclosed.

2. The well was apparently converted to an injection well some time prior to April, 1971, when rework operations were conducted on the well by an unknown operator. The file contained a one-page memorandum of those operations, but the name of the operator at that time remains a mystery. That operator may still have been Pair, or possibly Shenandoah Oil Corporation which thereafter sold the well to Southland Royalty Company in March, 1979. A copy of that referenced page is enclosed.

3. The aforementioned sale is evidenced by the Division's Form C-104 which shows that the well was a water-injection well

99000-00000/PCOO/A52702.


January 28, 1998
Page 2

when it was sold by Shenandoah to Southland. A copy of that form is enclosed.

4. Southland subsequently sold the well to Lynx Petroleum Consultants in September, 1984, who thereafter sold it to Shahara Oil as first mentioned. Copies of those Division Forms C-104 are also enclosed.

Shahara Oil continues its investigation of the matter. Be assured that you will be advised of what is learned.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'Paul A. Cooter', with a large, stylized initial 'P'.

Paul A. Cooter

PAC/smb
enclosure

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

Form O-101
 Revised (12/1/55)

NOTICE OF INTENTION TO DRILL

Notice must be given to the District Office of the Oil Conservation Commission and approval obtained before drilling or recompletion begins. If changes in the proposed plan are considered advisable, a copy of this notice showing such changes will be returned to the sender. Submit this notice in **QUINTUPLICATE**. One copy will be returned following approval. See additional instructions in Rules and Regulations of the Commission. **If State Land submit 6 Copies Attach Form O-128 in triplicate to first 3 copies of Form O-101**

APR 17 1959

(Place)
 OIL CONSERVATION COMMISSION
 SANTA FE, NEW MEXICO

Gentlemen:

You are hereby notified that it is our intention to commence the Drilling of a well to be known as
PAIR OIL COMPANY

(Company or Operator)
 STATE OF NEW MEXICO, Well No. 2, in D (Unit). The well is located 660 feet from the North line and 660 feet from the West line of Section 16, T. 17 South, R. 33 East, NMPM. (GIVE LOCATION FROM SECTION LINE) Undesignated Pool, Lea County.

If State Land the Oil and Gas Lease is No. B-2148

If patented land the owner is _____

Address _____

We propose to drill well with drilling equipment as follows:

Rotary type equipment

The status of plugging bond is current and on file

Drilling Contractor Pair Oil Company

We intend to complete this well in the Grayburg

formation at an approximate depth of 4500 feet.

CASING PROGRAM

We propose to use the following strings of Casing and to cement them as indicated:

Size of Hole	Size of Casing	Weight per Foot	New or Second Hand	Depth	Shank Cement
<u>12 1/4</u>	<u>8 5/8</u>	<u>24</u>	<u>New</u>	<u>375</u>	<u>150</u>
<u>7 7/8</u>	<u>5 1/2</u>	<u>14</u>	<u>New</u>	<u>4500</u>	<u>200</u>

If changes in the above plans become advisable we will notify you immediately.

ADDITIONAL INFORMATION (If recompletion give full details of proposed plan of work.)

APR 17 1959

Approved _____, 19____
 Except as follows:

CEMENT MUST BE CIRCULATED BEHIND

CASING
 OIL CONSERVATION COMMISSION

Sincerely yours,

PAIR OIL COMPANY

(Company or Operator)

By Rose

Position Superintendent

Send Communications regarding well to

Name Pair Oil Company

522 S. Chilton St., Tyler, Texas

PHILLIPS
PAIR STATE #2

- 4/29/71 Move rig in to pull tubing.
Unseated Larkin Simpax Tension Packer - 9S.
Pulled 136 joints 2 3/8" tubing (plastic coated).
Found split in 30th joint.
Rigged up sand pump, ran in hole, got pick up....put on bottom flag.
Ran depthometer, found T.D. at 4405'.
Picked up rust scale and small amount of sand.
Could not make hole with 3 1/4" sand pump.
Shut down rig.
- 4/30/71 Poured rope socket, ran 4 1/4 sand pump, made approximately 16' of hole,
getting some muddy substance and fractured with sand.
Cleaned out to 4421' depthometer measurement.
Made up Baker AD tension packer, ran 135 joints 2 3/8' o.d. 8 round thread,
internally plastic costed tubing. Packer set at 4175.94'.
Tied well up to injection line, started water back in ground.
Released rig.

CC: Downey - 5/14/71
Bellah *92*

STATE OF NEW MEXICO
NATURAL GAS DEPARTMENTCONSERVATION DIVISION
P. O. BOX 2000
SANTA FE, NEW MEXICO 87501REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

DATE RECEIVED	
FILE	
U.S. LAND OFFICE	
TRANSPORTER	OIL
OPERATION	GAS
PRODUCTION OFFICE	
Operator	

Southland Royalty Company

Address

1100 Wall Towers West, Midland, Tx. 79701

Person(s) for filing (Check proper box)

New Well ☐Recompletion ☐Change in Ownership ☒

Change in Transporter of:

Oil ☐Casinghead Gas ☐Dry Gas ☐Condensate ☐

Other (Please explain)

Effective 2-1-79

If change of ownership give name and address of previous owner: Shenandoah Oil Corp., 1500 Commerce Bldg., Ft. Worth, Tx. 76102

I. DESCRIPTION OF WELL AND LEASE

Lease Name Phillips State	Well No. 2	Post Name, Including Formation Maljamar (G.SA.)	Kind of Lease State, Federal or Foreign State	Lease No. B-2148
Location				
Unit Letter D	660	Feet From The North	Line and 660	Feet From The West
Line of Section 16	Township 17S	Range 33E	NMPM	Lea County

II. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)			
Water Injection Well				
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)			
None				
If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.
Is gas actually connected?		When		

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

III. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Reservoir	Diff. Reservoir
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

IV. 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 sep allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Gravity of Condensate

Actual Prod. Test-MCF/D	Length of Test	Well Name	Well No.
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

I. 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.

C. Hamney, Jr.
(Signature)

District Engineer
(Title)

3-1-79

(Date)

13

OIL CONSERVATION DIVISION

APPROVED WHD 13 1979, 19

BY Date Signed by

Jerry Sexton

TITLE Dyn. L. Super.

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

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

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

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other change of condition.

Separate Form C-104 must be filed for each pool in multiple completion wells.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	NAT
OPERATOR	
PROMOTION OFFICE	

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-104
Revised 10-01-78
Format 06-01-83
Page 1REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator
Lynx Petroleum Consultants, Incorporated

Address
P.O. Box 1666, Hobbs, New Mexico 88240

Reason(s) for filing (Check proper box)

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

Other (Please explain)

If change of ownership give name and address of previous owner Southland Royalty Co. 21 Desta Drive, Midland, Texas 7970

II. DESCRIPTION OF WELL AND LEASE

Lease Name Phillips State	Well No. 2	Pool Name, including Formation Maljamar GR-SA	Kind of Lease State, Federal or Fee State	Lease No. B-2148
Location				
Unit Letter D	660	Feet From The North	Line and 660	Feet From The West
Line of Section 16	Township 17S	Range 33E	NMPM,	Lea County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Injection Well	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge.
	Is gas actually connected? When

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

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. 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 is true and complete to the best of my knowledge and belief.

Ray W. Fonay
(Signature)
Vice-President
(Title)
September 10, 1984
(Date)

OIL CONSERVATION DIVISION
SEP 21 1984
APPROVED _____, 18 _____
BY ORIGINAL SIGNATURE
DISTRICT SUPERVISOR
TITLE _____

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

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

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

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1800 Rio 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-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address ✓ SHAHARA OIL CORPORATION 207 W MCKAY CARLSBAD, NM 88220		OCRID Number 143119
		Reason for Filing Code CH-Effective 2/21/95
API Number 30-025-01429	Pool Name Maljamar Grayburg SA	Pool Code 43329
Property Code 005983 16770	Property Name Phillips State Injection	Well Number 002

II. Surface Location

UL or lot no.	Section	Township	Range	Lot/Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
D	16	17S	33E		660	North	660	West	Lea

" Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
D	16	17S	33E		660	North	660	West	Lea
" Loc Code	" Producing Method Code	" Gas Connection Date	" C-129 Permit Number	" C-129 Effective Date	" C-129 Expiration Date				
S	Injection	Unknown							

III. Oil and Gas Transporters

" Transporter OCRID	" Transporter Name and Address	" POD	" O/G	" POD ULSTR Location and Description
022628	Texas New Mexico Pipeline P.O. Box 1510 Midland, TX 79702	1199610	O	C-16-17S-33E
009171	GPM Gas Corp. 4001 Penbrook Odessa, TX 79762	1199630	G	C-16-17S-33E

IV. Produced Water

" POD	" POD ULSTR Location and Description
1199650	C-16-17S-33E

V. Well Completion Data

" Spud Date	" Ready Date	" TD	" PBTD	" Perforations
" Hole Size	" Casing & Tubing Size	" Depth Set	" Sacks Cement	

VI. Well Test Data

" Date New Oil	" Gas Delivery Date	" Test Date	" Test Length	" Tbg. Pressure	" Csg. Pressure

" Choke Size	" Oil	" Water	" Gas	" AOP	" Test Method
" I hereby certify that the rules 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. Signature: <i>Melanie J. Parker</i>			OIL CONSERVATION DIVISION Approved by: ORIGINAL SIGNED BY JERRY SEXTON Title: DISTRICT SUPERVISOR		
Printed name: MELANIE J. PARKER			Approval Date: MAR 10 1995		
Title: SECRETARY					
Date: 03/08/95 Phone: 505/885-5433					
" If this is a change of operator fill in the OGRID number and name of the previous operator <i>Shirley W. Foy</i> Lynx Petroleum Consultants, Inc. Vice Pres. 2/21/95 Previous Operator Signature Printed Name Title Date					

RECEIVED MAR 15 1995

F A X C O V E R P A G E**KEMP, SMITH, DUNCAN & HAMMOND, P.C.****ATTORNEYS AT LAW****500 Marquette, N.W., Suite 1200
Albuquerque, New Mexico 87102-2121****(505) 247-2315****FAX (505) 764-5480***Case 11923*

IMPORTANT/CONFIDENTIAL: This message is intended only for the use of the individual or entity to which it is addressed. This message contains information from the law firm of KEMP, SMITH, DUNCAN & HAMMOND, P.C., which may be privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately at our telephone number set forth above. We will be happy to arrange for the return of this message via the U.S. Postal Service to us at no cost to you.

Date: January 28, 1998**No. of Pages: 4** (including this cover page)**ORIGINALS WILL FOLLOW BY MAIL: YES****PLEASE DELIVER TO:**

Name Michael Stogner	Fax 505/827-8177
Company NM Oil Conservation Division	

FROM:

Sender's Name Paul A. Cooter	Person to Contact (if different from Sender) Sue Bowersock
	File Number 09638.00100

COMMENTS:

**IN CASE OF A PROBLEM WITH THIS FAX TRANSMISSION,
CALL THE CONTACT OR SENDER AT (505) 247-2315**

Kemp, Smith, Duncan & Hammond, P.C.

ATTORNEYS AT LAW

500 MARQUETTE N.W., SUITE 1200, ALBUQUERQUE, NEW MEXICO 87102-5311 | P.O. BOX 1276, 87103-1276 | 505 247-2315 | FAX 505 764-5480

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†††† MEMBERS DISTRICT OF COLUMBIA BAR

January 28, 1998

By Fax: 505/827-8177

Mr. Michael E. Stogner
Chief Hearing Officer/Engineer
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Dept.
2040 South Pacheco
PO Box 6429
Santa Fe, NM 87505

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Dear Michael:

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With regards, I am

Very truly yours,

Paul A. Cooter
Paul A. Cooter

PAC/smb
enclosure

01/28/98 15:22 FAX 5058854989

SHAHARA OIL CORP

002

07/03/97 10:35

KEMP SMITH

002

JUL-03-97 THU 10:37 AM OIL CONSERVATION DIV

FAX NO. 5058278177

P.02

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3486

Order No. R-3155

APPLICATION OF SHENANDOAH OIL
CORPORATION FOR A WATERFLOOD
PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8 a.m. on November 16, 1966, at Santa Fe, New Mexico, before Examiner Daniel S. Mutter.

NOW, on this 28th day of November, 1966, the Commission, a quorum being present, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Shenandoah Oil Corporation, seeks permission to institute a waterflood project in the Maljamar Pool by the injection of water into the Grayburg-San Andres formation through four injection wells in Sections 7, 8, and 16, Township 17 South, Range 33 East, EOPM, Lea County, New Mexico.

(3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

01/28/98 15:22 FAX 5058854989

SHAHARA OIL CORP

03

07/03/97 10:38

KEMP SMITH

003

JUL-03-97 THU 10:37 AM OIL CONSERVATION DIV

FAX NO. 5058278177

P. 03

-2-

CASE No. 3486

Order No. R-3155

(5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Shenandoah Oil Corporation, is hereby authorized to institute a waterflood project in the Maljamar Pool by the injection of water into the Grayburg-San Andres formation through the following-described wells in Township 17 South, Range 13 East, WMPN, Lea County, New Mexico:

OPERATOR	WELL NO.	LOCATION
Shenandoah Oil Corporation-State "A" No. 2		Unit C - Section 7
Shenandoah Oil Corporation-State "A" No. 6		Unit E - Section 8
Shenandoah Oil Corporation-Shell State "A" No. 1		Unit H - Section 8
Shenandoah Oil Corporation-Phillips State No. 2		Unit D - Section 16

(2) That the subject waterflood project is hereby designated the Northeast Maljamar Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK H. CAMPBELL, Chairman

GUYTON E. HAYS, Member

S H A L

ccr/

A. L. PORTER, Jr., Member & Secretary

F A X C O V E R P A G E**KEMP, SMITH, DUNCAN & HAMMOND, P.C.****ATTORNEYS AT LAW**

500 Marquette, N.W., Suite 1200
Albuquerque, New Mexico 87102-2121

(505) 247-2315

FAX (505) 764-5480

IMPORTANT/CONFIDENTIAL: This message is intended only for the use of the individual or entity to which it is addressed. This message contains information from the law firm of KEMP, SMITH, DUNCAN & HAMMOND, P.C., which may be privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately at our telephone number set forth above. We will be happy to arrange for the return of this message via the U.S. Postal Service to us at no cost to you.

Date: **January 28, 1998**No. of Pages: **10** (including this cover page)ORIGINALS WILL FOLLOW BY MAIL: **YES****PLEASE DELIVER TO:**

Name Michael Stogner	Fax 505/827-8177
Company NM Oil Conservation Division	

FROM:

Sender's Name Paul A. Cooter	Person to Contact (if different from Sender) Sue Bowersock
	File Number 09638.00100

COMMENTS:

IN CASE OF A PROBLEM WITH THIS FAX TRANSMISSION,
CALL THE CONTACT OR SENDER AT **(505) 247-2315**

Kemp, Smith, Duncan & Hammond, P.C.

ATTORNEYS AT LAW

500 MARQUETTE N.W., SUITE 1200, ALBUQUERQUE, NEW MEXICO 87102-5311 | P.O. BOX 1276, 87103-1276 | 505 247-2315 | FAX 505 764-5480

EL PASO*

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DANE GEORGE
MICHAEL D. McQUEEN
DARRELL R. WINDHAM
ROGER D. AKSAMIT
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OF COUNSEL: JOSEPH P. HAMMOND
RAYMOND H. MARSHALL

OF COUNSEL: PAUL A. COOTER*

* MEMBERS TEXAS BAR
† MEMBERS NEW MEXICO BAR

** MEMBERS IDAHO BAR
†† MEMBERS COLORADO BAR

*** MEMBERS NEW MEXICO AND CALIFORNIA BARS
††† MEMBERS IOWA BAR

**** MEMBERS FLORIDA AND MICHIGAN BARS
†††† MEMBERS DISTRICT OF COLUMBIA BAR

January 28, 1998

By Fax: 505/827-8177

Mr. Michael E. Stogner
Chief Hearing Officer/Engineer
Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Dept.
2040 South Pacheco
PO Box 6429
Santa Fe, NM 87505

Re: Application of Shahara Oil, L.L.C. for its Shahara State Unit

Dear Michael:

After your inquiry, Shahara Oil reviewed the records obtained from Lynx Petroleum Consultants, from whom it purchased the property in February, 1995 and learned the following facts:

1. The well was originally drilled by Pair Oil Company in April, 1959, and designated the Pair State No. 2 Well. A copy of the relevant Commission's Form C-101 is enclosed.

2. The well was apparently converted to an injection well some time prior to April, 1971, when rework operations were conducted on the well by an unknown operator. The file contained a one-page memorandum of those operations, but the name of the operator at that time remains a mystery. That operator may still have been Pair, or possibly Shenandoah Oil Corporation which thereafter sold the well to Southland Royalty Company in March, 1979. A copy of that referenced page is enclosed.

3. The aforementioned sale is evidenced by the Division's Form C-104 which shows that the well was a water-injection well

99000-00000/PCOO/A52702.


January 28, 1998
Page 2

when it was sold by Shenandoah to Southland. A copy of that form is enclosed.

4. Southland subsequently sold the well to Lynx Petroleum Consultants in September, 1984, who thereafter sold it to Shahara Oil as first mentioned. Copies of those Division Forms C-104 are also enclosed.

Shahara Oil continues its investigation of the matter. Be assured that you will be advised of what is learned.

Very truly yours,



Paul A. Cooter

PAC/smb
enclosure

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New MexicoForm O-101
Revised (12/1/55)

NOTICE OF INTENTION TO DRILL

Notice must be given to the District Office of the Oil Conservation Commission and approval obtained before drilling or recompletion begins. If changes in the proposed plan are considered advisable, a copy of this notice showing such changes will be returned to the sender. Submit this notice in **QUINTUPLICATE**. One copy will be returned following approval. See additional instructions in Rules and Regulations of the Commission. If State Land submit 6 Copies Attach Form O- 128 in triplicate to District Office of Form O-101

APR 17 1959

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Gentlemen:

You are hereby notified that it is our intention to commence the Drilling of a well to be known as
PAIR OIL COMPANY

(Company or Operator)

STATE OF NEW MEXICO

(Lease)

Well No. 2

D

(Unit)

located 660 feet from the North line and 660 feet from the West line of Section 16, T. 17 South, R. 33 East, NMPM.

GIVE LOCATION FROM SECTION LINE) Undesignated Pool, Lea County

If State Land the Oil and Gas Lease is No. B-2148

If patented land the owner is

Address

We propose to drill well with drilling equipment as follows:

Rotary type equipment

The status of plugging bond is current and on file

Drilling Contractor Pair Oil Company

We intend to complete this well in the Grayburg

formation at an approximate depth of 4500 feet.

CASING PROGRAM

We propose to use the following strings of Casing and to cement them as indicated:

Size of Hole	Size of Casing	Weight per Foot	New or Second Hand	Depth	Cement Cement
12 1/4	8 5/8	24	New	375	150
7 7/8	5 1/2	14	New	4500	200

If changes in the above plans become advisable we will notify you immediately.

ADDITIONAL INFORMATION (If recompletion give full details of proposed plan of work.)

APR 17 1959

Approved....., 19.....
Except as follows:

CEMENT MUST BE CIRCULATED BEHIND

CASING
OIL CONSERVATION COMMISSION

Sincerely yours,

PAIR OIL COMPANY

(Company or Operator)

By

Position Superintendent

Send Communications regarding well to

Name

Pair Oil Company

522 S. Chilton St., Tyler, Texas

PHILLIPS
PAIR STATE #2

- 4/29/71 Move rig in to pull tubing.
Unseated Larkin Simpax Tension Packer - 9S.
Pulled 136 joints 2 3/8" tubing (plastic coated).
Found split in 30th joint.
Rigged up sand pump, ran in hole, got pick up....put on bottom flag.
Ran depthometer, found T.D. at 4405'.
Picked up rust scale and small amount of sand.
Could not make hole with 3 1/4" sand pump.
Shut down rig.
- 4/30/71 Poured rope socket, ran 4 1/4 sand pump, made approximately 16' of hole,
getting some muddy substance and fractured with sand.
Cleaned out to 4421' depthometer measurement.
Made up Baker AD tension packer, ran 135 joints 2 3/8' o.d. 8 round thread,
internally plastic costed tubing. Packer set at 4175.94'.
Tied well up to injection line, started water back in ground.
Released rig.

CC: Downey - 5/1/71
Bellah 92

01/28/98 09:32 FAX 5058854989

SHAHARA OIL CORP

Form C-101 07
Revised 10-1-70STATE OF NEW MEXICO
NEW MEXICO DEPARTMENTCONSERVATION DIVISION
P. O. BOX 2000
SANTA FE, NEW MEXICO 87501REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

DATE RECEIVED	
BY	
FILE	
U.P.S.	
LAND OFFICE	
TRANSPORTATION	
OPERATION	
PRODUCTION OFFICE	
Operator	

Southland Royalty Company

Address
1100 Wall Towers West, Midland, Tx. 79701

Reason(s) for filing (Check proper box)

New Well ☐
Recompletion ☐
Change in Ownership ☒

Change in Transporter of:

Oil ☐
Casinghead Gas ☐Dry Gas ☐
Condensate ☐

Other (Please explain)

Effective 2-1-79

If change of ownership give name and address of previous owner: Shenandoah Oil Corp., 1500 Commerce Bldg., Ft. Worth, Tx. 76102

DESCRIPTION OF WELL AND LEASE

Lease Name Phillips State	Well No. 2	Pool Name, including Formation Maljamar (G.S.A.)	Kind of Lease State, Federal or Foreign State	Lease No. B-2148
Location Unit Letter <u>D</u> ; <u>660</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>West</u> Line of Section <u>16</u> Township <u>17S</u> Range <u>33E</u> , N.M.P.M., <u>Lea</u> County				

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> Water Injection Well	Address (Give address to which approved copy of this form is to be sent)	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/> None	Address (Give address to which approved copy of this form is to be sent)	
If well produces oil or liquids, give location of tanks.	Unit	Sec.
	Top	Reg.
	Is gas actually connected? When	

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	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

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 Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Total Production - MCF

Gravity of Condensate

Actual Prod. Test-MST/D	Length of Test		
Testing Method (spiral, back pr.)	Tubing Pressure (Shut-In)	Casing Pressure (Shut-In)	Choke Size

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.

C. Harvey Sam
(Signature)

District Engineer

3-1-79

(Date)

OIL CONSERVATION DIVISION

APPROVED MAR 13 1979, 19

BY John Seaton

TITLE Supervisor

This form is to be filled in compliance with RULE 1004.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviate tests taken on the well in accordance with RULE 111.

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

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Form C-104 must be filed for each pool in multi-well completions.

43

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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TRANSPORTER	OIL
	NAT
OPERATOR	
PROMOTION OFFICE	

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Formal 05-01-83
Page 1REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator Lynx Petroleum Consultants, Incorporated

Address P.O. Box 1666, Hobbs, New Mexico 88240

Reason(s) for filing (Check proper box)

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

Other (Please explain) _____

If change of ownership give name and address of previous owner Southland Royalty Co. 21 Desta Drive, Midland, Texas 797

II. DESCRIPTION OF WELL AND LEASE

Lease Name <u>Phillips State</u>	Well No. <u>2</u>	Pool Name, including Formation <u>Maljamar GR-SA</u>	Kind of Lease State, Federal or Fee State <u>State</u>	Lease No. <u>B-2148</u>
Location				
Unit Letter <u>D</u>	: <u>660</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>West</u>			
Line of Section <u>16</u>	Township <u>17S</u>	Range <u>33E</u>	NMPM, <u>Lea</u>	County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
<u>Injection Well</u>	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rgs. Is gas actually connected? When

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

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. 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 is true and complete to the best of my knowledge and belief.

Ray W. Fonay
(Signature)Vice-President
(Title)September 10, 1984
(Date)

OIL CONSERVATION DIVISION

SEP 21 1984

APPROVED _____, IS _____

BY ORIGINAL SIGNATURE _____TITLE DISTRICT SUPERVISOR

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

If this is a request for allowable for a newly drilled or deeper well, this form must be accompanied by a tabulation of the deviate tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for all wells on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of own well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multi-completed wells.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1800 Rio Grande Rd., Alamogordo, 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-104
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address ✓ SHAHARA OIL CORPORATION 207 W MCKAY CARLSBAD, NM 88220		OGRID Number 143119
		Reason for Filing Code CH-Effective 2/21/95
API Number 30-025-01429	Pool Name Maljamar Grayburg SA	Pool Code 43329
Property Code 005983 1677D	Property Name Phillips State Injection	Well Number 002

II. Surface Location

UL or lot no. D	Section 16	Township 17S	Range 33E	Lot Idn	Feet from the 660	North/South Line North	Feet from the 660	East/West Line West	County Lea
--------------------	---------------	-----------------	--------------	---------	----------------------	---------------------------	----------------------	------------------------	---------------

Bottom Hole Location

UL or lot no. D	Section 16	Township 17S	Range 33E	Lot Idn	Feet from the 660	North/South Line North	Feet from the 660	East/West Line West	County Lea
Lee Code S	Producing Method Code Injection	Gas Connection Date Unknown	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
022628	Texas New Mexico Pipeline P.O. Box 1510 Midland, TX 79702	1199610	O	C-16-17S-33E
009171	GPM Gas Corp. 4001 Penbrook Odessa, TX 79762	1199630	G	C-16-17S-33E

IV. Produced Water

POD	POD ULSTR Location and Description
1199650	C-16-17S-33E

V. Well Completion Data

Spud Date	Ready Date	TD	FBTD	Perforations
Stole Slm	Casing & Tubing Slm	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Thg. Pressure	Csg. Pressure
--------------	-------------------	-----------	-------------	---------------	---------------

" Choke Size	" Oil	" Water	" Gas	" AOP	" Test Method
<p>" I hereby certify that the rules 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.</p> <p>Signature: <i>Melanie J. Parker</i></p> <p>Printed name: MELANIE J. PARKER</p> <p>Title: SECRETARY</p> <p>Date: 03/08/95 Phone: 505/885-5433</p>			<p>OIL CONSERVATION DIVISION</p> <p>Approved by: ORIGINAL SIGNED BY JERRY SEXTON</p> <p>Title: DISTRICT SUPERVISOR</p> <p>Approval Date: MAR 10 1995</p>		
<p>" If this is a change of operator fill in the OGRID number and name of the previous operator</p> <p><i>Shay W. Foy</i> Lynx Petroleum Consultants, Inc. Vice Pres. 2/21/95</p> <p>Previous Operator Signature Printed Name Title Date</p>					

RECEIVED MAR 15 1995