



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

3/23/2000

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

GOVERNOR

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

R-11367

RE: Proposed:

MC	_____
DHC	_____
NSL	_____ X _____
NSP	_____
SWD	_____
WFX	_____
PMX	_____

Gentlemen:

I have examined the application for the:

<u>Tamarack Petroleum Co Inc</u>	<u>Hood 8</u>	<u>#1-B-8-17s-38e</u>
Operator	Lease & Well No. Unit	S-T-R 30-025-30513

and my recommendations are as follows:

None

Yours very truly,

Chris Williams
Supervisor, District 1

/ed

NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS.

Application Acronyms:

- (NSP-Non-Standard Proration Unit) [NSL-Non-Standard Location] [DD-Directional Drilling] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling [X] NSL [] NSP [X] DD [] SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement [] DHC [] CTB [] PLC [] PC [] OLS [] OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [] WFX [] PMX [] SWD [] IPI [] EOR [] PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or [] Does Not Apply

- [A] [X] Working, Royalty or Overriding Royalty Interest Owners
- [B] [X] Offset Operators, Leaseholders or Surface Owner
- [C] [] Application is One Which Requires Published Legal Notice
- [D] [] Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] [] For all of the above, Proof of Notification or Publication is Attached
- [F] [] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where appropriate that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Robert E. Liem

Robert E. Liem (Signature)

Senior Vice President

03/10/00

Print or Type Name

Signature

Title

Date

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

JASON KELLAHIN (RETIRED 1991)

March 10, 2000

HAND DELIVERED

Mr. Michael E. Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Hood "8" Well No. 1
Administrative Application of
Tamarack Petroleum Company, Inc.,
for an unorthodox subsurface drilling/producing
window for its Hood "8" Well No. 1 located in Unit B,
Section 8, T17S, R38E, Lea County, New Mexico

Dear Mr. Stogner:

On behalf of Tamarack Petroleum Company, Inc. and in accordance with Division Rule 111 and Rule 104, please find enclosed the referenced application for approval to drill this well directionally within an unorthodox subsurface drilling and producing window.

Tamarack previously filed a separate application with OCD-Hobbs requesting approval of the directional wellbore and the APD. The purpose of this application filed with you, is to obtain approval for the various possible unorthodox subsurface locations within this proposed drilling producing window.

Tamarack proposes to re-enter the Anadarko-Hood 8 Well No. and to drill directionally to a depth of approximately 8200 feet and then vertically to a total depth sufficient to test the Atoka formation at a projected location of 1179 feet from the north line and 2211 feet from the east line.

Mr. Michael E. Stogner
Oil Conservation Division
March 10, 2000
-Page 2-

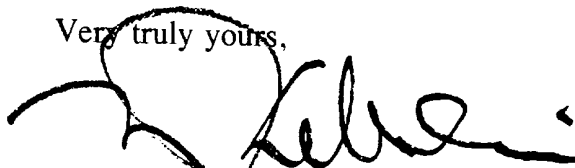
The primary objective is an oil well in the Strawn formation (wildcat) but with the well being drilled to the Atoka as a possible gas well. In addition, the Wolfcamp is a possible secondary objective.

However, in order to reduce the costs of controlling the wellbore to this specific target Tamarack desires a tolerance of 110 foot radius circle around this subsurface location. Therefore, Tamarack requests an unorthodox subsurface drilling and producing window which includes the following:

not closer than 318 feet to the north/south center line within Section 8 and not closer than 36 feet to the south line of Unit B of Section 8

Please call me if you have any questions.

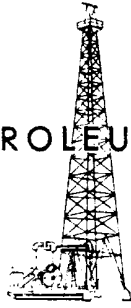
Very truly yours,



W. Thomas Kellahin

cfx: Mr. Chris Williams (OCD-Hobbs)
Tamarack Petroleum Company, Inc.
Attn: Hal Gill

TAMARACK PETROLEUM COMPANY, INC.



500 WEST TEXAS, SUITE 1485
MIDLAND, TEXAS 79701

TELEPHONE: 915/683-5474
FACSIMILE: 915/683-7306

March 8, 2000

Mr. Michael E. Stogner
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Application For Permit to Re-Enter - Directional Well
Unorthodox Bottom Hole Location
Hood 8 # 1
Lea County, New Mexico

Dear Mr. Stogner:

Enclosed in support of the subject application are the following:

1. Form C-101, Application For Permit To Drill, Re-enter, Deepen, Plugback, or Add A Zone
2. Form C-102, Well Location and Acreage Dedication Plat
3. Well Profile Data, showing proposed directional hole plan
4. Strawn Structure Map
5. Affidavit of Common Ownership: NE/4 Section 8, T17S, R38E, Lea County, New Mexico

Tamarack proposes to re-enter the Anadarko - Hood 8 # 1, drill out the cement plugs inside the 8 5/8" casing, clean out a portion of the hole below to a depth of approximately 4900', then sidetrack the well and drill directionally to a new bottom hole location located 320' south and 230' west of the surface location. This projected bottom hole location will be located 146' from the south line and 428' from the west line of unit B, thereby causing it to be an unorthodox location. Tamarack requests a permitted producing window with a tolerance of a 110' radius circle around this target, or a window to be no closer than 36' from the south line or 318' from the west line of unit B. This is the proposed target for both the penetration point into the primary objective, the Strawn horizon (expected to be oil productive) and the bottom hole location in the Atoka (expected to be gas productive).

The east half of section 8 is fee land that has been leased and is controlled by Tamarack. The minerals under the northeast quarter section are undivided and have common ownership under this lease, therefore ownership in unit B and unit G is identical. Attached is an affidavit to this effect. Should gas production in the Atoka be established, a drilling unit of 320 acres

Page 2

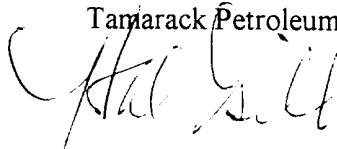
Application For Permit to Re-Enter - Directional Well
Unorthodox Bottom Hole Location
Hood 8 # 1
Lea County, New Mexico

comprising the E/2 of Section 8 will be dedicated to this completion. Additional potential plugback zones include the primary objective Strawn (~11150'), Wolfcamp (~10,000') and the San Andres (~5500'). Tamarack requests that these zones also be permitted for a possible plugback completion in this application.

The attached Strawn structure map, which is based on 3-D seismic survey information, shows the projected bottom hole location. This location is projected to be the highest structural position on the Strawn horizon. A standard location would not penetrate the prospective formation at this optimum point. Tamarack respectfully requests approval of the proposed unorthodox bottom hole location for this well.

Should you need additional information, please give me a call at (915) 683-5474.

Very Truly Yours,
Tamarack Petroleum Company, Inc.

A handwritten signature in black ink, appearing to read "Hal Gill", written over the typed name below.

Hal Gill
District Engineer

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

State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

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

AMENDED REPORT

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

Operator Name and Address. Tamarack Petroleum Company, Inc. 500 W. Texas #1485 Midland, Texas 79701		' OGRID Number 022131
		' API Number 30-025-30513
' Property Code	' Property Name Hood 8	' Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	8	17S	38E		859	North	1981	East	Lea

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	8	17S	38E		1179	North	2211	East	Lea

' Proposed Pool 1 Wildcat (Atoka)*	' Proposed Pool 2 Wildcat (Strawn)*
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' Work Type Code E	' Well Type Code O	' Cable/Rotary R	' Lease Type Code P	' Ground Level Elevation 3713'
' Multiple No	' Proposed Depth 12,200	' Formation Atoka	' Contractor	' Spud Date 04/01/00

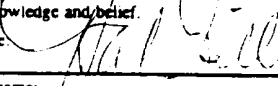
²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17"	13.375	unknown	426	400	Surface
12.25"	8.625	unknown	4490	1700	Surface
7.875"	5.5	17#	12000	900	3500

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Re-enter dry hole, drill out cement plugs and clean out to 4900'.
 Kick-off at 4900' and drill new 7-7/8" hole to new bottom hole location.
 If productive, run 5.5" casing and cement.
 BOP's to be installed prior to drilling out plugs (as provided by drilling contractor)

* In the event the Atoka is not productive, additional potential zones to plug back include the primary objective Strawn at approx. 11,150', Wolfcamp at approx. 10,000' and San Andres at approx. 5,500'. Tamarack requests permit approved for these formations as well as the Atoka.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: 	OIL CONSERVATION DIVISION	
	Approved by:	
Printed name: Hal Gill	Title:	
Title: District Engineer	Approval Date:	Expiration Date:

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-30513	Pool Code	Pool Name Wildcat
Property Code	Property Name HOOD 8	Well Number 1
OGRID No. 022131	Operator Name TAMARACK PETROLEUM CO., INC.	Elevation 3713

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	8	17 S	38 E		859	NORTH	1981	EAST	LEA

Bottom Hole Location if Different From Surface

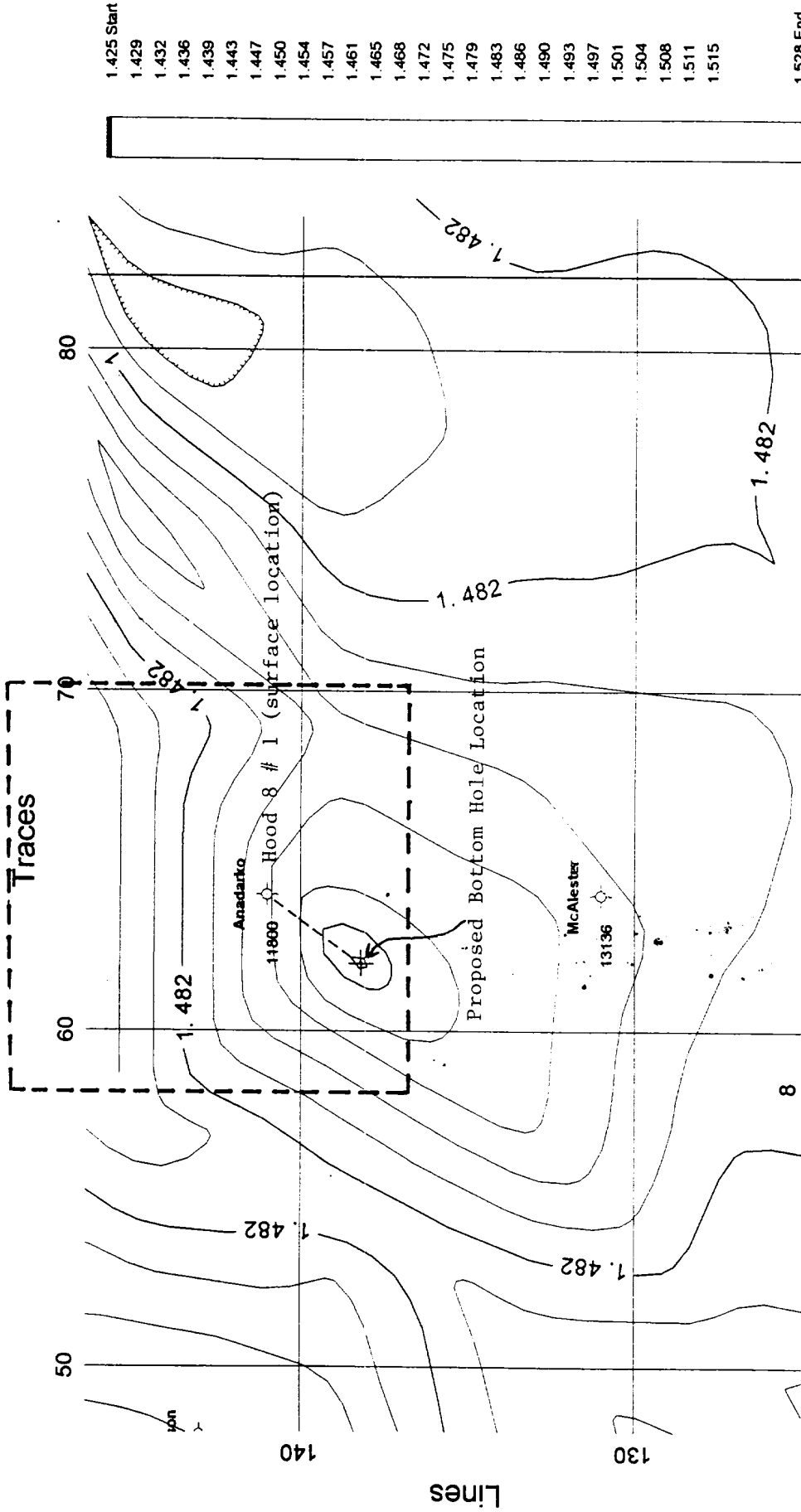
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	8	17 S	38 E		1179	NORTH	2211	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>SURFACE SPC NMEZ NAD 1927 Y=676404 X=857819</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Hal Gill</i> Signature</p> <p>Hal Gill Printed Name</p> <p>District Engineer Title</p> <p>3/8/2000 Date</p>
	<p>BOTTOM HOLE & PENETRATION POINT SPC NMEZ NAD 1927 Y=676081 X=857593</p>		<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>FEBRUARY 7, 2000</p> <p>Date Surveyed _____ LMP</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Ronald C. Edson</i> 2/23/2000 00-11-0186</p> <p>Certificate No. RONALD C. EDSON 3239 GARY EDSON 12641 MACON McDONALD 12185</p>

Horizon STR (Blue) Time Map, Contour STR
23 Feb 2000, 11:24



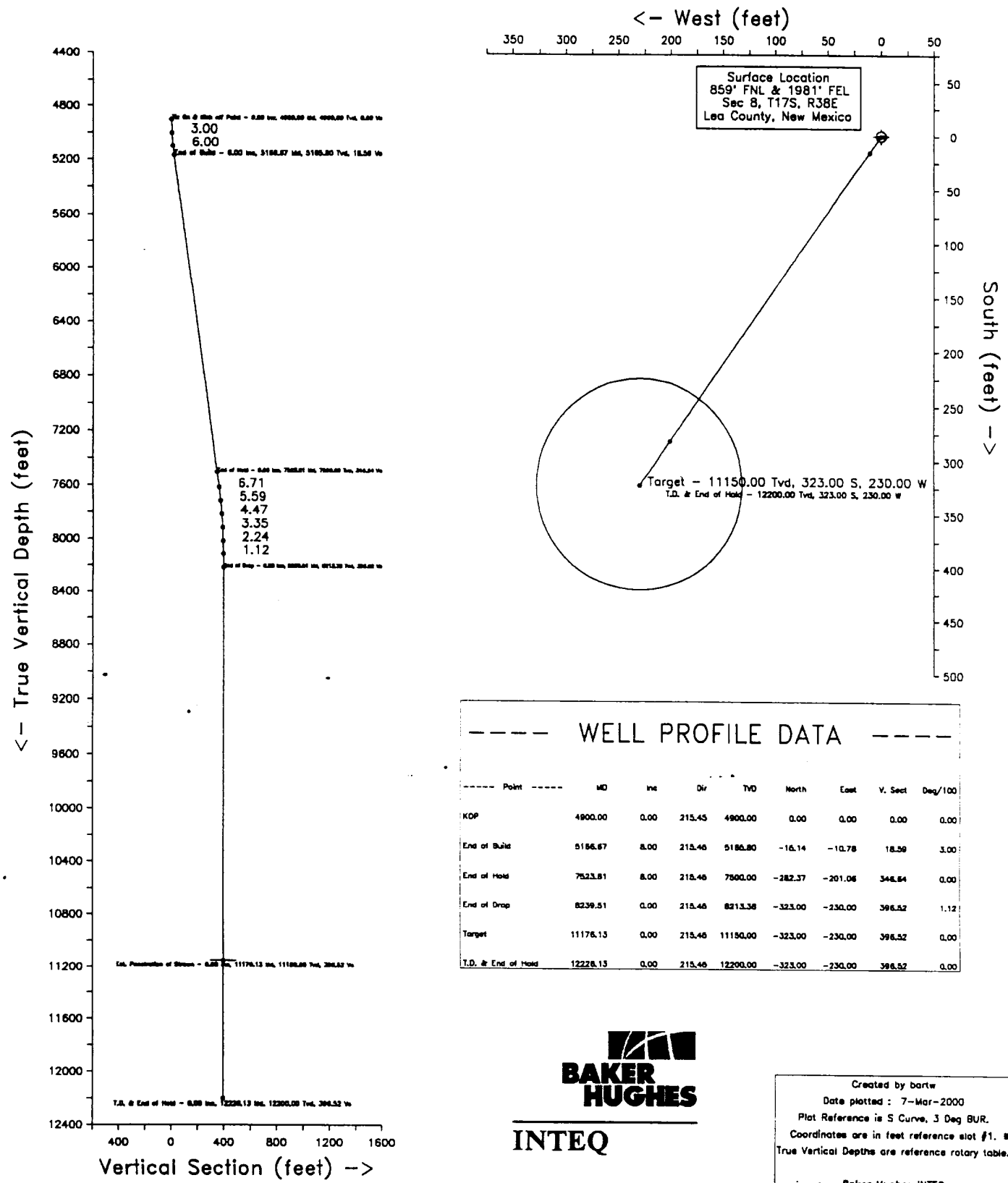
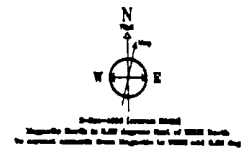
TAMARACK PETROLEUM COMPANY, INC.	
PROPOSED RE-ENTRY: HOOD 8 # 1	
SEC. 8, T17S, R38E, LEA COUNTY, NEW MEXICO	
STRUCTURE: TOP/STRAWN	
CONTOUR INTERVAL = 0.002 sec.	
Scale: 1" = 500'	DATE: 2-23-00

LEGEND

- ⊙ DRY HOLE
- ⊕ PROPOSED BOTTOM HOLE LOCATION
- UNIT B: DRILLING UNIT (APPROX. 40 ACRES)

Tamarack Petroleum Company Inc.

Structure : Hood 8-1 Slot : slot #1
 Field : Location : LEA COUNTY, NEW MEXICO



Point	MD	Inc	Dir	TVD	North	East	V. Sect	Deg/100
KOP	4900.00	0.00	215.45	4900.00	0.00	0.00	0.00	0.00
End of Build	5186.67	8.00	215.46	5186.80	-16.14	-10.78	18.58	3.00
End of Hold	7523.81	8.00	215.46	7500.00	-282.37	-201.06	346.84	0.00
End of Drop	8239.51	0.00	215.46	8213.38	-323.00	-230.00	396.52	1.12
Target	11176.13	0.00	215.46	11150.00	-323.00	-230.00	396.52	0.00
T.D. & End of Hold	12228.13	0.00	215.46	12200.00	-323.00	-230.00	396.52	0.00



INTEQ

Created by bartw
 Date plotted : 7-Mar-2000
 Plot Reference is S Curve, 3 Deg BUR.
 Coordinates are in feet reference slot #1. B
 True Vertical Depths are reference rotary table.
 --- Baker Hughes INTEQ ---

Azimuth 215.45 with reference 0.00 N, 0.00 E from slot #1

Tamarack Petroleum Company Inc.
Hood 8-1

slot #1

LEA COUNTY, NEW MEXICO

P R O P O S A L L I S T I N G

by
Baker Hughes INTEQ

Your ref : S Curve, 3 Deg BUR
Our ref : prop2394
License :

Date printed : 7-Mar-2000
Date created : 2-Nov-1999
Last revised : 7-Mar-2000

Field is centred on n32 58 13.100,w103 14 15.6
structure is centred on n32 58 13.100,w103 14 15.6

Slot location is n32 58 13.100,w103 14 15.600
Slot Grid coordinates are N 718458.262, E 836033.931
Slot local coordinates are 0.00 N 0.00 E

Projection type: mercator - New Mexico East (3001), Spheroid: Clarke - 1866

Reference North is True North

Tamarack Petroleum Company Inc.
 Hood 8-1, slot #1
 , LEA COUNTY, NEW MEXICO

PROPOSAL LISTING Page 1
 Your ref : S Curve, 3 Deg BUR
 Last revised : 7-Mar-2000

Measured Depth	Inclin. Degrees	Azimuth Degrees	True Vert Depth	R E C T A N G U L A R C O O R D I N A T E S	Dogleg Deg/100ft	Vert Sect
4900.00	0.00	215.45	4900.00	0.00 N	0.00	0.00
5000.00	3.00	215.45	4999.95	2.13 S	3.00	2.62
5100.00	6.00	215.45	5099.63	8.52 S	3.00	10.46
5166.67	8.00	215.45	5165.80	15.14 S	3.00	18.59
5500.00	8.00	215.45	5495.89	52.93 S	0.00	64.98
6000.00	8.00	215.45	5991.02	109.61 S	0.00	134.56
6500.00	8.00	215.45	6486.16	166.30 S	0.00	204.15
7000.00	8.00	215.45	6981.29	222.98 S	0.00	273.74
7500.00	8.00	215.45	7476.43	279.67 S	0.00	343.32
7523.81	8.00	215.45	7500.00	282.37 S	0.00	346.64
7539.51	7.82	215.45	7515.55	284.13 S	1.12	348.80
7639.51	6.71	215.45	7614.75	294.43 S	1.12	361.44
7739.51	5.59	215.45	7714.17	303.15 S	1.12	372.15
7839.51	4.47	215.45	7813.78	310.29 S	1.12	380.92
7939.51	3.35	215.45	7913.55	315.85 S	1.12	387.74
8039.51	2.24	215.45	8013.43	319.82 S	1.12	392.62
8139.51	1.12	215.45	8113.38	322.21 S	1.12	395.55
8239.51	0.00	215.45	8213.38	323.00 S	1.12	396.52
8500.00	0.00	215.45	8473.87	323.00 S	0.00	396.52
9000.00	0.00	215.45	8973.87	323.00 S	0.00	396.52
9500.00	0.00	215.45	9473.87	323.00 S	0.00	396.52
10000.00	0.00	215.45	9973.87	323.00 S	0.00	396.52
10500.00	0.00	215.45	10473.87	323.00 S	0.00	396.52
11000.00	0.00	215.45	10973.87	323.00 S	0.00	396.52
11176.13	0.00	215.45	11150.00	323.00 S	0.00	396.52

All data is in feet unless otherwise stated.
 Coordinates from slot #1 and TVD from rotary table.
 Bottom hole distance is 396.52 on azimuth 215.45 degrees from wellhead.
 Vertical section is from N 0.00 E 0.00 on azimuth 215.45 degrees.
 Calculation uses the minimum curvature method.
 Presented by Baker Hughes INTEQ

396.52 Est. Penetration of Straw

Tamarack Petroleum Company Inc.
 Hood 8-1, slot #1
 , LEA COUNTY, NEW MEXICO

PROPOSAL LISTING Page 2
 Your ref : S Curve, 3 Deg BUR
 Last revised : 7-Mar-2000

Measured Depth	Inclin. Degrees	Azimuth Degrees	True Depth	Vert Depth	R E C T A N G U L A R C O O R D I N A T E S	Dogleg Deg/100ft	Vert Sect
11500.00	0.00	215.45	11473.87		323.00 S	0.00	396.52
12000.00	0.00	215.45	11973.87		323.00 S	0.00	396.52
12226.13	0.00	215.45	12200.00		323.00 S	0.00	396.52

All data is in feet unless otherwise stated.
 Coordinates from slot #1 and TVD from rotary table.
 Bottom hole distance is 396.52 on azimuth 215.45 degrees from wellhead.
 Vertical section is from N 0.00 E 0.00 on azimuth 215.45 degrees.
 Calculation uses the minimum curvature method.
 Presented by Baker Hughes INTEQ

Tamarack Petroleum Company Inc.
 Hood 8-1, slot #1
 , LEA COUNTY, NEW MEXICO

PROPOSAL LISTING Page 3
 Your ref : S Curve, 3 Deg BUR
 Last revised : 7-Mar-2000

MD	TVD	Rectangular Coords.	Comments in wellpath
			===== Comment
11176.13	11150.00	323.00 S 230.00 W	Est. Penetration of Strawn

Targets associated with this wellpath

Target name	Geographic Location	T.V.D.	Rectangular Coordinates	Revised
		11150.00	323.00S	230.00W
				2-Nov-1999

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

March 10, 2000

TO: OFFSET INTEREST OWNER

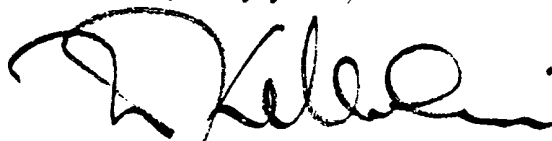
NOTICE OF THE FOLLOWING NEW MEXICO OIL
CONSERVATION DIVISION ADMINISTRATIVE
APPLICATION

*Re: Application of Tamarack Petroleum Company, Inc.
for an unorthodox subsurface drilling/
producing window for its Hood 8 Well No. 1,
Unit B, Section 8, T17S, R38E,
Lea County, New Mexico*

In accordance with the notification rules of the New Mexico Oil Conservation Division, on behalf of Tamarack Petroleum Company, Inc. I am enclosing a copy of its administrative application for an unorthodox subsurface drilling-producing window for its Hood 8 Well No. 1.

If you object to this application, then you must notify the Division, 2040 South Pacheco, Santa Fe, New Mexico 87505, in writing not later than twenty (20) days from the date of this letter. Failure to file a timely objection to this application will preclude you from contesting this matter at a later date. Please call me if you have any questions.

Very truly yours,



W. Thomas Kellahin

Notification List

Owners in NW/4 Section 8, T17S, R38E, Lea County, New Mexico

Leasehold Owners

Anson Partners, L. L. C.
4005 NW Expressway, Suite 400e
Oklahoma City, Oklahoma 73116

Tamarack Petroleum Company, Inc.
500 West Texas, Suite 1485
Midland, Texas 79701

Harvey E. Yates Company
Spiral, Inc.
Explorers Petroleum Corporation
Heyco Employees Ltd.
P. O. Box 1933
Roswell, New Mexico 88202-1933

Beasley Oil Company
2017 Heritage Park Drive
Oklahoma City, Oklahoma 73120

James H. Yates, Inc.
Colkelan Corporation
906 S. St. Francis Drive, Suite C
Santa Fe, New Mexico 87501

Unleased Mineral Owners

James T. Smith Estate
1300 Fourth Terrace West
Birmingham, Alabama

Ray F. Tissue
1709 Airline Highway # 204
Hollister, California 95023

Dorothy Jane Tissue
24680 Avenida Principal
Salinas, California 93908

