OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

December 10, 1999

Xeric Oil & Gas Corporation P.O. Box 352 Midland, Texas 79702

Attention:

Glenda Hunt

RE:

C-142 Application for New Well Status

Arco Hall State Well No. 3, API No. 30-025-34622

Dear Ms. Hunt:

Pursuant to Division Rule 34.C.(3), the deadline for filling for the New Well Tax Incentive is within sixty (60) days of completion of the well as a producer, therefore your application is hereby denied.

If you have any questions, please contact me at (505) 827-8183.

Sincerely,

Mark Ashley

Petroleum Engineering Specialist

# District I - (505) 393-6161 1625 N. French Dr Hobbs, NM 88241-1980 District II - (505) 748-1283 811 S. First Artesia, NM 88210 District III - (505) 334-6178 1000 Rio Brezos Road Aziec, NM 87410 District IV - (505) 827-7131

DEC - 9 1959

CHREATION I

## New Mexico

# Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131 / 46 4 Form C-142
Date 06/99

SUBMIT ORIGINAL PLUS 2 COPIES TO THE SANTA FE OFFICE

#### APPLICATION FOR NEW WELL STATUS

	Operation	or and Well									OGRID N	mber		
perator	name & add	ress Xer	c Oil	& GAs	Corpo	ration								
			3ox 352								00544			
		Mid	Land, I	Cexas	79702						02548	32		
ntact I	Party										Phone 0.15-4	83-365	so.	
		Gle	nda Hur	nt				Well Nu	mher		API Numb			
operty	Name	٨٣٥	Hall	State				#3	II II JO		30-02	5-3462	22	
	Section	Township	Range	Feet From	The	North/South I	Line Fo	et From The		East/We	st Line	County		
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NOTICE: The operator must notify all working interest owners of this New Well certification.

1.00000000

EFFECTIVE PREPAYMENT COST AFIL DECK DATE OWNER OWNER NAME PROPERTY PROPERTY NAME D.D.I. LEASE WELL CTR. CODE 1 \*\*BASE\*\* 9999803 GERONIMO HOLDING CORPORATION 021603-003 ARCO HALL #3 0.42516490 021603-003 0 Y 0.07086082 021603-003 0 Base Deck BA772 R.C. BARNETT N BA790 PERRY R BASS 0.16209652 021603-003 0 N CH270 CHEVRON U.S.A. PRODUCTION CO. 0.04004698 021603-003 0 N CO578 JON F. COLL 0.00039335 021603-003 N CO579 JAMES N. COLL 0.00039336 021603-003 0 N CO580 CHARLES H. COLL 0.00039336 021603-003 0 N CO591 MAX W COLL II - ARCO-HALL #3 0.00039336 021603-003 0 N DM761 D. M. ROYALTIES, LTD. 0.00937473 021603-003 N 0.03543041 021603-003 0 LE968 LEWIS OIL & GAS, INC. N PH431 PHILLIPS PETROLEUM COMPANY 0.02517490 021603-003 0 RO232 ROCKY MOUNTAIN RESOURCES
SC439 DATESCAT PO390 POGAR PETROLEUM, LTD. 0.07086082 021603-003 .0 N 0.10629122 021603-003 0 N SC439 PATRICIA PENROSE SCHIEFFER 0.05312527 021603-003 0 N

\*\*\* DECK TOTAL 14 OWNERS

#### State of New Mexico Energy, Minerals and Natural Resources Department

Form C-105 Revised 1-1-89

Submit to Appropriate

"District Office
state Lease - 6 copies
ee Lease - 5 copies
USTRICT I
1 O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

2040 Pacheco St.

WELL API NO. 30-025-34622

5. Indicate Type of Lease	e	-
9	TATE	$\mathbf{X}$

DISTRICT II P.O. Drawer DD, Artesi	a, NM 88210			nta Fe,	NM 8	87505		٤	, indicate i	ype or Le	STATE	X	FEE	
DISTRICT III 1000 Rio Brazos Rd, Aztec, NM 87410									State Oil					
WELL CO	WELL COMPLETION OR RECOMPLETION REPORT AND LOG												or Artistan	
1a. Type of Well: OIL WELL GAS WELL ORY OTHER								7	7. Lease Name or Unit Agreement Name					
b. Type of Completion:									Arco Hall S	State				
NEW WORK OVER		PLUG BACK	DI RE	FF ESVROTH	ER								<del></del>	
2. Name of Operator  Xeric Oil & Gas Co	omoration								. Well No. 3					
3. Address of Operator								9	. Pool name	or Wildcat				
P. O. Box 352 ,		9702							Eumont Y-	SR-Q				
4. Well Location	4004			Sau	<b>th</b>			1080	_	. C The		West	Lina	
Unit Letter	K 1980	Feet	From The _	Sou	<u>uı</u>				Fee	t From The			Cirio	
Section	20	Towns	·		Range		6E	NM		CP etc.)		Lea lev Ca	County	
10. Date Spudded	11. Date T.D. Reach	ed		ompi. (Ready to	o PTOd.)		3633 G	•	& RKB, RT, C	3/1, GIL.)	14. 6		633	
06/12/99 15. Total Depth	06/18/99 16. Plug Bac	* T D	08/2	17. If Multiple	Compl. Ho		18.	Intervals	Rotary To	ools	Cab	le Tools		
4250		4210		Many Zon				Oritled By		$\times_{\_}$		-1.0		
19. Producing Interval(s										20. Was		nal Sun 'es	vey Made	
3888 - 3926 , 398		- 4075 -	Seven R	ivers					22. Was V	Vell Cored				
21. Type Electric and Or Dual Laterolog w	ther Logs Run / Micro Laterolog								No No					
23.		CAS	ING RE	CORD	Repor	t all s	strings							
CASING SIZE	WEIGHT LE	3/FT.	DEPT	H SET		LE SIZ			CEMENTING RECORD AMOUNT PULLED  30 sx class "c" - circulated 0					
8 5/8	24			13		12 1/4							0	
5 1/2	15.50		42	249		7 7/8		950 8	50 sx class "c" - circulated 0					
24.		LINE	R RECO					25.		UBING			ACKER SET	
SIZE	TOP	ВОТ	ТОМ	SACKS CE	MENT	SC	REEN	-	2 7/8	UE	PTH SET 4200	<del>-   '</del>	n/a	
									2110		4200			
26. Perforation record	d (interval size and	i number)				27. A	CID, SI	HOT, F	RACTUR	E, CEM	ENT, S	QUE	ZE, ETC.	
3888' - 3926' - 7		)	,			DEP	TH INTE	RVAL	AMOU	NT AND K	IND MAT	TERIAL	USED	
3988' - 3996' - 1	7 holes - 0.42"						988' - 4			,000# -	oam			
4060' - 4075' - 1	6 holes - 0.42"					3	888' - 3	926'	+	Frac 54	, <del>1</del> 000,	ruur	Udili	
				224	OTICS									
28.		Dendundi-	n Mathad /5	PRODUCTION OF THE PROPULATION OF	DUMPING	- Size s	and type o	ump)		We	ell Status	(Prod.	or Shut-in)	
Date First Production 08/25/99	Pum	ping - 2	2 1/2" x 2"	x 16 'RWE	C insert	t pump	)					Prod		
Date of Test 08/28/99	Hours Tested		noke Size n/a	Prod'n F			BbL. Gas		ICF	Water - E		Gas - Oil Ratio		
Flow Tubing Press.	Casing Pressure		alculated 24-			Ge	s - MCF	Wa			Gravity - /	Gravity - API - (Corr.)		
n/a	35		our Rate	0			33		60 Test	Witnessed	Bv			
29. Disposition of Gas	(Sold, used for fuel, ve idstream Services									y Peugh				
30. List Attachments	Manealli agi Arces	, u.												
Deviation Survey														
31. I hereby certify that		n on both s	sides of this t	form is true and	d complete	e to the	best of my	/ knowledg	e and belief					
													00/02/00	
Signatur WI	West 7.171	1 ace		Printed M	ichael G	. Moo	ney		ide Consu	itting Eng	jineer	_Date _	09/03/99	

#### INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all specific tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

### INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

			New Mexico			orthwestern		
Т	Anhy1865.0	T.	Canvon	T	Ojo Alamo	T.	Pe	enn. "B"
T	Calt	Т	Strawn	- 1	Kirtland-Frui	itiano I.	Pe	enn. "C"
R	Salt	T	Atoka	T	Pictured Clif	ts I.	Pe	enn. "บ"
Т	Yates 3650.0	T.	Miss	T	Cliff House	l.	Ļе	adville
T	7 Rivers 3887.0	Т	Devonian	T	Menefee		Ma	adison
T	Oueen	T	Silurian	T	Point Looko	ut I.	비	oeπ
T	Grayburg	T	Montova	- Т	Mancos	T.	M	Cracken
T	San Andres	T	Simpson	T.	Gallup		Igr	nacio Otzte
T.	Glorieta	T.	McKee	В	ase Greenho	rn I.	Gr	anite
T	Paddock	Т	Ellenhurger	т	Dakota	T.		
T	Blinehry	Т	Gr Wash	T	Morrison	T.		
T	Tubh	T	Delaware Sand	- T.	Todilto	l.		
T	Drinkard	Т	Rone Springs	T.	Entrada			
T	Aho	Т		T.	Wingate			
T	Wolfcamp	T		T	Chinle			
T	Dann	Т			Permain			
Τ.	Cisco (Bough C)	T.		T	Penn. "A" _	Т.	_	
			OIL OR GAS S		S OR ZONES	S		
No	o. 1, from 3887	to	4075		No. 3, from		to	)
N	o. 2, from	to			No. 4, from		to	
			IMPORTAN	T W	ATER SAND	S		
In	clude data on rate of wa	tei	inflow and elevation t	o wh	ich water ros	e in hole.		
N	o. 1, from		to		fe	et		
N	2 from		to		fe	et		
N	o. 3, from		to		fe	et		
			OGY RECORD (A					
_	Thickney					Thickness		Lithology

From	То	Thickness in Feet	Lithology	From	То	Thickness in Feet	Lithology
0.0	1865.0		Sand - caliche				
1865.0	3650.0	1785.0	satt & anhydrite		1		
3650.0	4250.0	600.0	sand, dolomite, anhydrite				
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Subm opi

#### State of New Mexico Energy, Minerals and Natural Resources Department

CONDITIONS OF APPROVAL, IF ANY:

Form C-	103
Revised	1-1-89

(DO NOT USE THIS FORM FOR PRODIFFERENT RESERVED.)	OIL CONSERVATIO 2040 Pacheco St. Santa Fe, NM 8  ICES AND REPORTS ON WEL DPOSALS TO DRILL OR TO DEEPEN RVOIR. USE "APPLICATION FOR PEI	7505 LLS OR PLUG BACK TO A	WELL API NO. 30-025-34622 sindicate Type of Le  State Oil & Gas Les  Lease Name or Uni Arco Hall State	STATE FE	EE			
Type of Well: Oil. GAS WELL WELL	OTHER		aWell No.					
2Name of Operator Xeric Oil & Gas Corporation			3					
sAddress of Operator			«Pool name or Wildo					
P. C. Box 352 , Midland , Texas	79702		Eumont Y-SR-	Q				
Well Location Unit Letter K : 1980	Feet From The South	Line and1980	Feet From The	West tin	e			
Section 20	Township 20S	Range 36E	NMPM	Lea County				
<b>9</b> P	to Elevation (Show whether DF, 3633' GR	RKB, RT, GR, etc.)						
11 Check A	ppropriate Box to Indicate Na	ature of Notice, Rep	ort, or Other I	Data				
NOTICE OF IN			BSEQUENT REPORT OF:					
PERFORM REMEDIAL WORK	PLUG AND ABANDON	REMEDIAL WORK		ALTERING CASING				
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRILLING OF		PLUG AND ANBANDONM	ENT			
PULL OR ALTER CASING		CASING TEST AND CEME	NT JOB					
OTHER:		OTHER:						
12Describe Proposed or Completed Operation work) SEE RULF 1103.	is (Clearly state all pertinent details, and give	pertinent dates, including est	timated date of starting	any proposed				
6/12/99 - Snud 12 1/4" hole @ 8:0	00 PM CST with fresh water - TD th of 413' - Cement w/ 260 sx Cla	surface hole @ 413' - iss " C " + 2% Cacl2 -	Run 9 jts 8 5/8" - circulate 15 sx to	24# - K55 surface				
6/13/99 - WOC 18 hrs before drilli 7 7/8" hole using brine	ing out shoe - Test BOP's to 3000 water	) psi , Install H2S Equi	ipment - begin dr	illing				
6/18/99 - TD 7 7/8" hole @ 4250' casing to a setting dep tail w/ 450 sx "C" + 5/1	- Run Open Hole Logs - Decide to th of 4249' - Cement w/ lead 500 0% FL=25 + 2/10% CD-32 + 1/10	sx 65:35:6 Poz C + 5%	sait + 1/4#/sx c	eloliake				
6/24/99 - Move drilling rig off local	tion							
6/25/99 - Run Cement Bond Log -	PBTD @ 4210' - Ready for com	pletion attempt						
I hereby certify that the information above is								
SIGNATURE	Jujooce "	TLE Consulting Enginee	er	DATE 07-21-99				
TYPE OR PRINT NAME Michael G. Moon				TELEPHONE NO. 915/683-	3171			
(This space for State Use) ORIG	MAL SIGNED DV DIFEIS MILLIA DISTRICTE DU. ERANAR	ME		SEP 27	1999			
APPROVED BY	π	TLE		DATE				