

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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]

2004 SEP 3 PM 1:40

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
 Check One Only for [B] or [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
 [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] 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, and/or,
 [F] Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name _____
 Signature

KELLAHIN & KELLAHIN
 Attorneys At Law
 P.O. Box 2265
 Santa Fe, NM 87504-2265

Date 9/3/04

KELLAHIN & KELLAHIN
Attorney at Law

W. Thomas Kellahin
Recognized Specialist in the Area of
Natural Resources-oil and gas law-
New Mexico Board of Legal Specialization

P.O. Box 2265
Santa Fe, New Mexico 87504
117 North Guadalupe
Santa Fe, New Mexico 87501

Telephone 505-982-4285
Facsimile 505-982-2047
kellahin@earthlink.net

September 2, 2004

HAND DELIVERED

Mr. Michael E. Stogner
Administrative Judge
Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: NMOCD Administrative Application of
Citation Oil & Gas Corp. for a "well density"
exception to Order R-8170-P pursuant to Rule 4(B)
of the Special Rules and Regulations for Eumont Gas Pool
for SE/4 of Section 1, T21S, R35E
Lea County, New Mexico

2004 SEP 3 PM 1 40

Dear Mr. Stogner:

On behalf, Citation Oil & Gas Corp. ("Citation") please find enclosed our administrative application which, if granted, will result in the addition of 1 Eumont gas well, the State "L" Well No. 3, Unit to the currently approved non-standard proration unit "NSP" that contains the State "L" Wells No. 1, 2 and 2-Y (Administrative Order NSL-3949 (SD) dated July 30, 2001. See also Order R-520, dated August 12, 1954.

Very truly yours,



W. Thomas Kellahin

cc: Citation Oil & Gas Corp.
Attn: K. C. (Charlie) Adams

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

**ADMINISTRATIVE APPLICATION OF
CITATION OIL & GAS CORPORATION
FOR A "WELL DENSITY" EXCEPTION
TO ORDER R-8170-PURSUANT TO RULE 4(B)
OF THE SPECIAL RULES AND REGULATIONS FOR
THE EUMONT GAS POOL, LEA COUNTY, NEW MEXICO**

ADMINISTRATIVE APPLICATION

Citation Oil & gas Corporation ("Citation"), in accordance with the provisions of Rule 4(B) of the Special Rules and Regulations for the Eumont Gas Pool (Order R-8170-P) seeks the approval of the New Mexico Oil Conservation Division to add the State "L" Well No.3, located 660 feet FSL and 1980 feet FEL of Irregular Section 1, T21S, R35E, Lea County, New Mexico, as an exception to the "well density" provisions of Rule 3(C) for this pool,

AND in support states:

PRIOR OCD ACTION

- (a) By Division Order R-520, dated August 12, 1954, the Division established this non-standard 160-acre gas spacing and proration unit ("GPU") for the Eumont Gas Pool comprising the SE/4 of irregular Section 1, T21S, R35E; **See locator map attached as Exhibit 1.**
- (b) By Administrative Order NSL-3949, dated February 16, 1998, the Division approved the unorthodox gas well location for the State "L" Well No. 2-Y thus approving two Eumont gas wells in the same 40-acre tract within this non-standard 160-acre GPU; **See order attached as Exhibit 2.**
- (c) By Administrative Order NSL-3949-A, dated July 30, 2001, the Division approved the addition of the State "L" Well No. 1 at an unorthodox gas well location in Unit Q to this GPU; **See order attached as Exhibit 3.**

- (d) On August 24, 2004, the OCD- Hobbs granted permission to Citation for a thirty day period to unload frac water and production test the State "L" Well No. 3.

**CURRENT STATUS OF WELLS
WITHIN THIS 160-ACRE GPU**

The existing wells in the SE/4 of irregular Section 1 are operated by Citation and are as follows : (See locator map attached as Exhibit 1)

(a) Unit Q (NE/4SE/4):

State "L" Well No. 1

- i. API 30-025-12720
- ii. Unorthodox location 2310 feet FSL and 330 feet FEL
- iii. Status: producing Eumont gas well (GOR 91,821)
- iv. Cumulative production as of 8/1/04:
As Eumont Oil to 4/30/65 – 155,227 BO &
334,023 MCF
As Eumont Prorated Gas 12/1/2000 to 8/1/2004
1,215 BO 142,240 MCF
- v. Administrative Order NSL-3949-A, July 30, 2001,
approved unorthodox gas well location
and simultaneous dedication

(b) Unit X (SE/4SE/4):

State "L" Well No. 2

- i. API 30-025-03390
- ii. Unorthodox location 330 feet FSL and 990 feet FEL
- iii. Status: producing Eumont gas well (GOR Gas Only Produced)
- iv. Cumulative production as of 8/1/04: 30 BO &
5,388,311 MCF (from 5/53 to 8/1/04 as Eumont Gas Well). Prior as Eumont Oil Well 51,332 BO.
- v. Approval letter dated December 30, 1953
approved unorthodox gas well location
and simultaneous dedication

(c) Unit X (SE/4SE/4):

State "L" Well No. 2-Y

- i. API 30-025-12720
- ii. Unorthodox location 330 feet FSL and 330 feet FEL
- iii. Status: producing Eumont gas well (GOR 56,393)
- iv. Cumulative production as of 8/1/04: 103,307 BO
4,189,088 MCF
- v. Order: NSL-3949 (SD), dated February 16, 1998
Approved unorthodox gas well location
And simultaneous dedication

(d) Unit X (SE/4SE/4):

State "L" Well No. 3 (subject of this application)

- i. API 30-025-03391
- ii. Standard location 660 feet FSL and 1980 feet FEL
- iii. Original Status:
 - a. Completed 6-22-1954 Oil well in Seven Rivers
 - b. Classified as Eumont Oil well until SI 4/30/89
 - c. recompleted with additional perforations,
 - i. OCD approval June 30, 2004
 - ii. Recompletion on Aug. 7, 2004; On production August 15, 2004.
- iv. Current Status: producing Eumont gas well (GOR 626,000 based on August 25, 2004 test)
- v. Cumulative production as of 8/1/04: 147,347 BO
1,236,385 MCF
- vi. Being produced pending action on this application

(e) Unit H:

a. State "L" Well No. 4

- i. API 30-025-03392
- ii. Standard location 1930 feet FSL and 1980 feet FEL
- iii. Status: Shut-in ("TA") Eumont oil well (SI November 30, 1996)
- iv. Cumulative production as of 8/1/04: 140,235 BO
1,521,428 MCF
- v. To be evaluated for recompletion when further production trend information is available from State L3.

CURRENT REQUEST

By this application, Citation requests approval to add the State "L" Well No. 3, located 660 feet FSL and 1980 feet FEL of Irregular Section 1, T21S, R35E, Lea County, New Mexico, as an exception to the "well density" provisions of Rule 3(C) for this pool.

REASONS FOR REQUEST WITH SUPPORTING DATA

In accordance with Rule 4(C)(b)(2), Citation submits the following:

(a) Explanation:

- a. The State "L" Well No. 3 will, recover Eumont gas that will not be recovered by the other three wells within this GPU (State "L" Wells No. 1, 2, and 2-Y).
- b. Citation estimates that 248,672 mcf of additional gas will be recovered from the State "L" Well No. 3. See Exhibit 11.
- c. Citation calculates that will not have adverse affect upon off-setting production for the Eumont since there are no offset gas wells directly adjacent to the State L3.

(b) Land plat. See Exhibit 2 attached

(c) Well information for GPU. See above

(d) Section 1 showing all Eumont wells. See Exhibit 1 attached

(e) Engineering and Geological Discussion and Exhibits

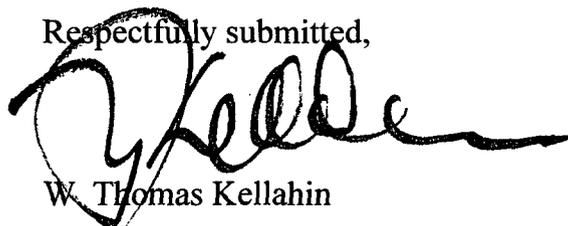
- i. See Engineering summary attached as Exhibit 4-A
- ii. Including Exhibit 4-B through Exhibit 15

NMOCD Administrative Application
Citation Oil & Gas Corporation
-Page 5-

NOTICE REQUIREMENTS

Copies of the application and notice letter (See Exhibit 16-A) were sent certified mail-return receipt requested to the parties listed set forth in Exhibit 16-B.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written over the typed name below.

W. Thomas Kellahin

Cc: Citation Oil & Gas Corp.
Attn: Charlie Adams (PE)



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

Eumont field file

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

February 16, 1998

Citation Oil & Gas Corporation
8223 Willow Place South - Suite 250
Houston, Texas 77070-5623
Attn: Debra Harris

Administrative Order NSL-3949(SD)

Dear Ms. Harris:

Reference is made to your application dated January 16, 1998 for an unorthodox Eumont gas well location within an existing non-standard 160-acre gas spacing and proration unit ("GPU") for said Eumont Gas Pool comprising the SE/4 of irregular Section 1, Township 21 South, Range 35 East, NMPM, Lea County, New Mexico. Said GPU was established by Division Order No. R-520, dated August 12, 1954 and currently has dedicated thereon the State "L" Well No. 2 (API No. 30-025-03390) located at an unorthodox gas well location 990 feet from the South line and 330 feet from the East line (Unit X) of said irregular Section 1 (see letter of approval dated December 30, 1954).

It is our understanding that the subject well in this application, the State "L" Well No. 2-Y (API No. 30-025-03393), located at a standard oil well location 330 feet from the South line and 990 feet from the East line (Unit X) of said irregular Section 1, was drilled to and completed within the Eumont Gas Pool in 1955. Since that time the State "L" Well No. 2-Y has been classified an "oil well." Recently however this well was reclassified to a Eumont "gas well" and pursuant to Rule 2(b)4 of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool," as promulgated by Division Order No. R-8170, as amended, said gas well location is considered to be unorthodox.

The subject application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division and the appropriate provisions of said special Eumont Gas Pool rules.

By authority granted me under the provisions of Rule 2(d) of said special pool rules for the Eumont Gas Pool and Division General Rule 104.F(2) the above-described unorthodox Eumont gas well location for said State "L" Well No. 2-Y is hereby approved.

Citation Oil & Gas Corporation is hereby authorized to simultaneously dedicate Eumont Gas production from both the State "L" Well Nos. 2 and 2-Y. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

Sincerely,

Lori Wrotenbery
Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe



cc: DH, TC, CM, TR, FF, WFK



NEW MEXICO ENERGY, MINERALS and ^{Eumont}
NATURAL RESOURCES DEPARTMENT _{FF}

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

July 30, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Citation Oil & Gas Corporation
8223 Willow Place South
Houston, Texas 77070-5623
Attention: Debra Harris

Administrative Order NSL-3949-A(SD)

Dear Ms. Harris:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on February 8, 2001; and (ii) the Division's records in Santa Fe, including the files on Division Administrative Order NSL-3949(SD): all concerning Citation Oil & Gas Corporation's ("Citation") requests for an unorthodox Eumont infill gas well location within an existing non-standard 160-acre gas spacing and proration unit ("GPU") for the Eumont Gas Pool comprising the SE/4 of irregular Section 1, Township 21 South, Range 35 East, NMPM, Lea County, New Mexico.

The rules and procedures currently governing the Eumont Gas Pool include but are not necessarily limited to:

- (i) the "Special Rules and Regulations for the Eumont Gas Pool," as promulgated by Division Order No. R-8170, as amended;
- (ii) Division Rule 605.B;
- (iii) Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999;
- (iv) Rule 1207.A (2); and
- (v) the amended Stipulated Declaratory Judgement of the First Judicial District Court in Santa Fe County, New Mexico issued on July 11, 2001 in Hartman vs. Oil Conservation Division, Cause No. D-0101-CV-9902927 ("Stipulated Declaratory Judgement").

The subject 160-acre GPU was established by Division Order No. R-520, dated August 12, 1954 and currently has dedicated thereon the following two wells:

- (1) State "L" Well No. 2 (API No. 30-025-03390), located at an

10:00 AM with good land well SE



unorthodox gas well location (see letter of approval dated December 30, 1953) 990 feet from the South line and 330 feet from the East line (Unit X) of Section 1; and

- (2) State "L" Well No. 2-Y (API No. 30-025-03393), located at an unorthodox gas well location [approved by Division Administrative Order NSL-3949(SD), dated February 16, 1998]] 330 feet from the South line and 990 feet from the East line (Unit X) of Section 1.

By the authority granted me under the provisions of these rules, regulations, and directives, the following described well, located at an unorthodox Eumont gas well location in Section 1, is hereby approved:

**State "L" Well No. 1
2310' FSL & 330' FEL (Unit Q)
(API No. 30-025-12720)**

Also, Citation is hereby authorized to simultaneously dedicate Eumont gas production from the State "L" Well No. 1 with the State "L" Wells No. 2 and 2-Y. Furthermore, Citation is hereby permitted to produce the allowable assigned the subject 160-acre GPU from all three wells in any proportion.

All provisions applicable to the subject GPU in Division Administrative Order NSL-3949 (SD) shall remain in full force and affect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: NSL-3949(SD)



**Eumont Field – Lea Co., NM
State L3 – NMOCD Administrative Application for a “Well Density”
Exception to Order R-8170-P
Yates/7 Rivers/Queen Zones**

September 1, 2004

SUMMARY

Citation Oil & Gas Corp. respectfully requests that the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department approve our application allowing for the production of the State L3 as a gas well in the Eumont field in the Yates/7 Rivers zones. The request is based on our contention that the well will serve to increase the recoverable hydrocarbons from the zones thus eliminating waste. This is based on past performance of similar work on the State L lease and the early results of the recent recompletion of the State L3.

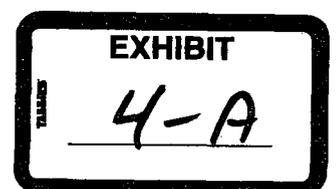
DISCUSSION

The following exhibits are included in support of our application:

- Exhibit 1 – Location and Lease Map
- Exhibit 2 – Administrative Order NSL-3949 (SD) dated February 16, 1998
- Exhibit 3 – Administrative Order NSL-3949-A (SD) dated February 16, 2002
- Exhibit 4-A Technical summary
- Exhibit 4 –B State L Lease Production History Plot
- Exhibit 5 – State L Lease – Production Data for June, 2004
- Exhibit 6 & 7 – State L Lease – Individual Well Histories
- Exhibit 8 – State L3 Log with Perforations Shown
- Exhibit 9 – State L3 – Wellbore Diagrams
- Exhibit 10 – State L3 – Morning Reports Showing Gas Rates after Recompletion
- Exhibit 11 – State L3 – Estimated Gross Recoverable Gas Reserves from Recompletion
- Exhibit 12 – Estimated Analog Reserves from Similar Work in State L1 and L2 Wells
- Exhibit 13 – Pressure History of State L Lease and Recent Shut-in Bottom Hole Pressures
- Exhibit 14 – Pressure History of Offset Wells
- Exhibit 15 – Analog Information from the Devonian State Lease Operated by Citation

Reserve Addition Discussion

Based on the pressure data in Exhibit 13 (24 Hour SI estimated bottom hole pressures of 25 psig) recorded in September of 2000 and again in 2001, the subject reservoirs are in an advanced stage



of depletion. The initial reservoir pressure was approximately 1200 psig. This indicates that conventional P/Z information is not useful for the estimation of remaining reserves.

Further, Exhibits 13 and 14 show the shut-in tubing pressure history for the State L3 and Citation's other westerly leases in the area and a number of offset wells. These plots indicate the commonality of the reservoirs across the leases and lease boundaries and the advanced stages of depletion of these reservoirs.

Exhibit 4 illustrates the full production history of the State L3 lease. It indicates a substantial improvement in production rates as workovers were done in the lease, specifically the fracture stimulation of State L2 in 1996 and the perforating and fracture stimulation of the State L1 in 2000. Exhibit 4 also shows the extrapolations of production behavior following each workover which supports a substantial addition of reserves to the Unit as a result of this work.

Based on this behavior, we have estimated and based our cash flow projections for the State L3 on gross reserves of 249 MMCF. This estimate is detailed in Exhibit 11 and is based on the analog behavior shown by the State L1 and L2 workovers as well as the initial test production rates from the State L3. The estimated increase in reserves seen from these wells is shown in Exhibit 12 and is approximately 429 MMCF for L2 and 225 MMCF for L1.

It should also be noted that we would like to maintain the State L4 in a TA'd status to evaluate the potential for a similar workover to that done in the State L3. We would like to continue to gather production trend information from the State L3 prior to making a decision on the State L4.

Therefore, we believe that the recent recompletion of the State L3 will allow the recovery of addition unique gas reserves that would be left in the reservoir without the completion of this work.

CONCLUSION

Based on the above, Citation believes that the recompletion of the State L3 will result in reserves being recovered that would otherwise be left in the reservoir. Thus, the project will prevent waste.

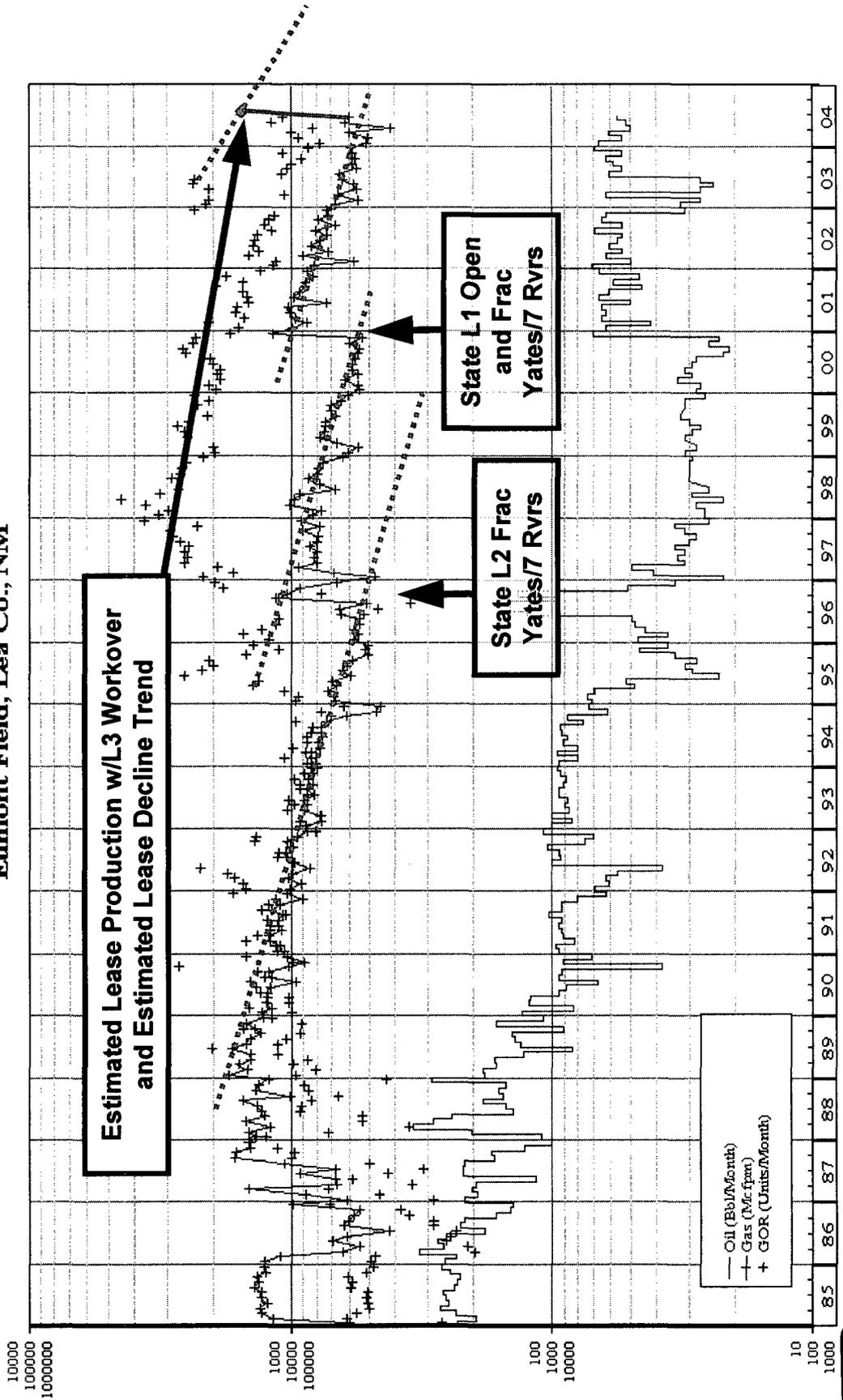


Date: September 1, 2004

K. C. (Charlie) Adams
Reservoir Engineering Manager
Citation Oil and Gas Corp.



State L Lease - Summary Plot
Citation Oil & Gas Corp.
Eumont Field, Lea Co., NM



OGRE I.D. - 3227

DATE: 08/27/04

COG I.D. - 80-02858.1

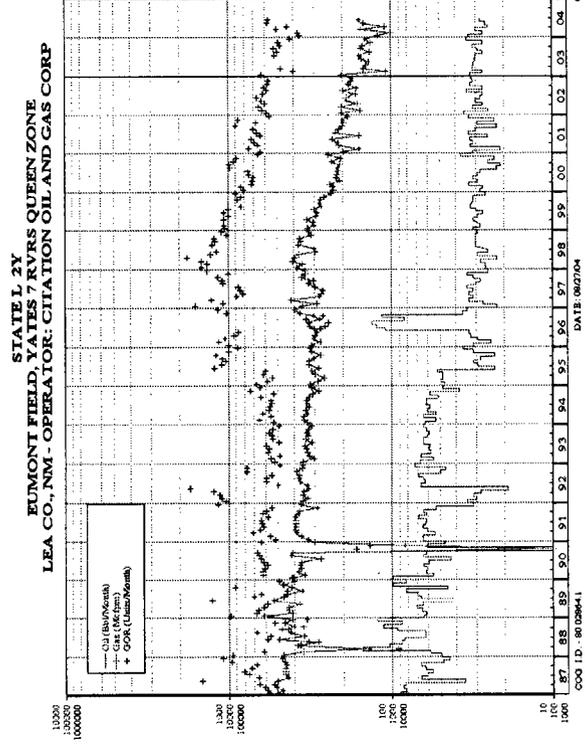
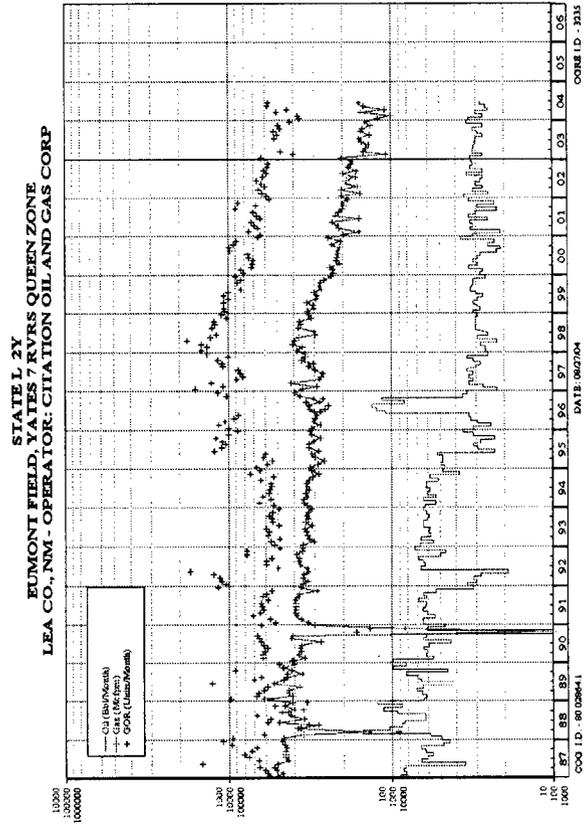
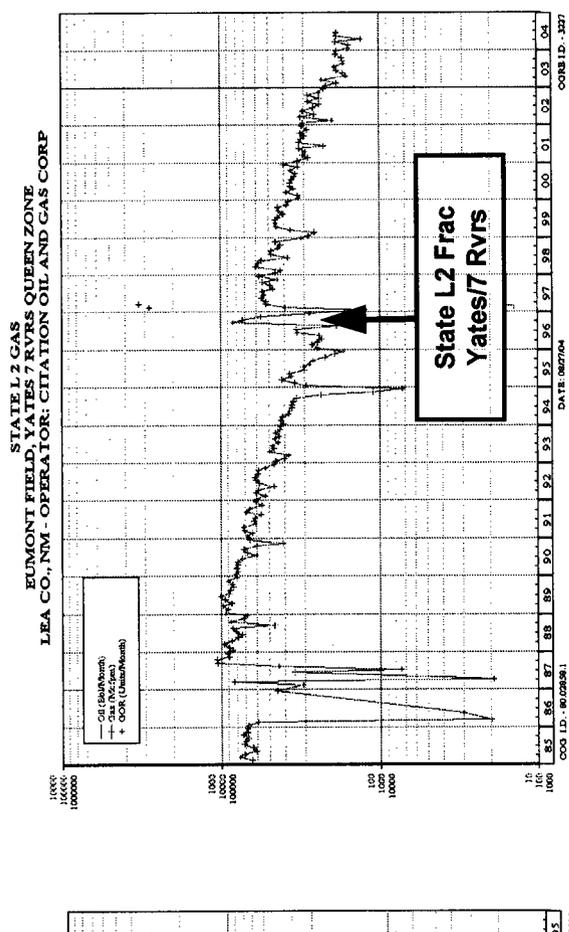
EXHIBIT
4-13



Citation Eumont 6/2004 Production

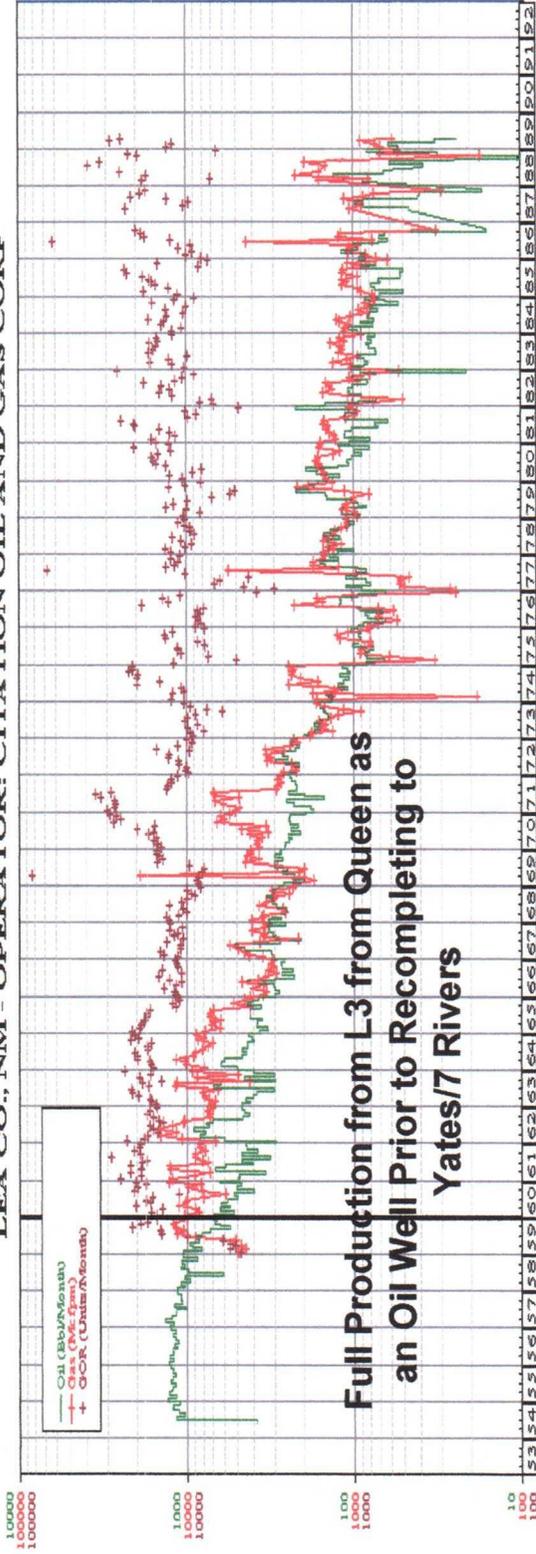
New Mexico Field Names and Numbers
 22800 EUMONT; YATES-7 RVRS-QUEEN (OIL)
 76480 EUMONT; YATES-7 RVRS-QUEEN (PRO GAS)
 23000 EUNICE MONUMENT; GRAYBURG-SAN ANDRES
 Data for Fields from 6/2004 COG NM Form C-115

Month of Prod.	COG WellID	WellName	Field and Pool #	Internal Well Type	Status	Oil BOPM	Gas MCFPM	Gas Sold MCFPM	GOR	Water BWPM	Days On	Date Pulled	Notes
6/1/2004	80.02863.2	STATE L 1	76480 G	G	PR	28	2571	2367	91,821	26	30	8/24/2004	Subject of New Application
6/1/2004	80.02864.1	STATE L 2Y	76480 O	O	PR	28	1579	1454	56,393	26	30	8/24/2004	Subject of New Application
6/1/2004	80.02865.1	STATE L 3	22800 O	O	TA	0	0	0	---	0	0	8/24/2004	Recompl. 8/2004
6/1/2004	80.02866.1	STATE L 4	22800 O	O	SR	0	0	0	---	0	0	8/24/2004	
6/1/2004	80.02858.1	STATE L 2 GAS	76480 G	G	PR	0	1858	1711	---	77	30	8/24/2004	Subject of New Application

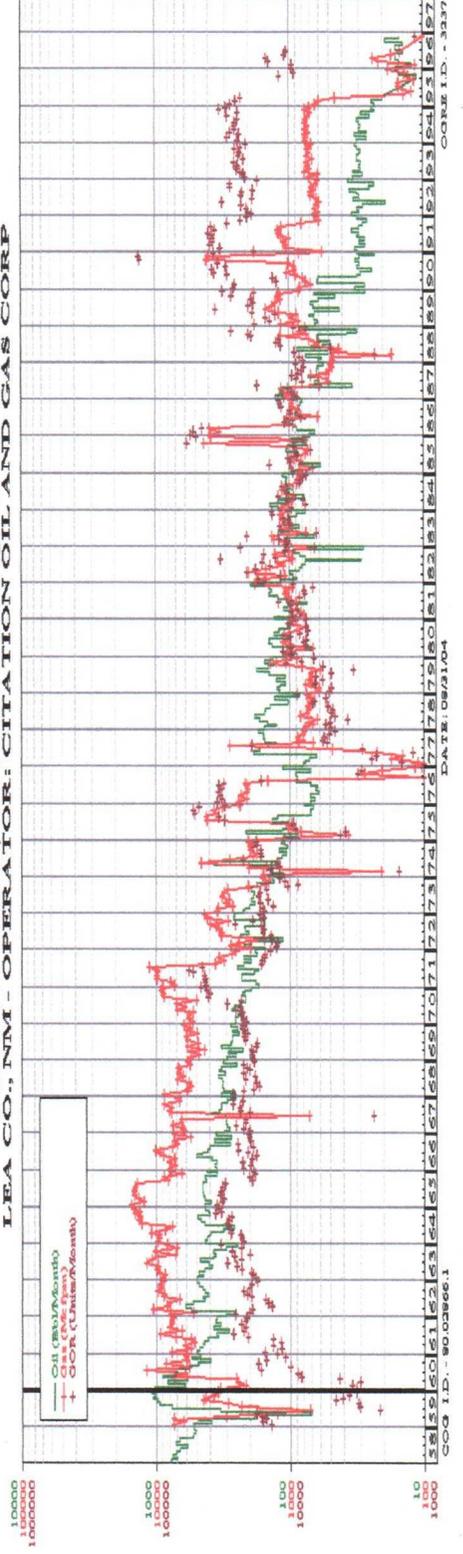




STATE L 3
 EUMONT FIELD, YATES 7 RIVERS QUEEN ZONE
 LEA CO., NM - OPERATOR: CITATION OIL AND GAS CORP



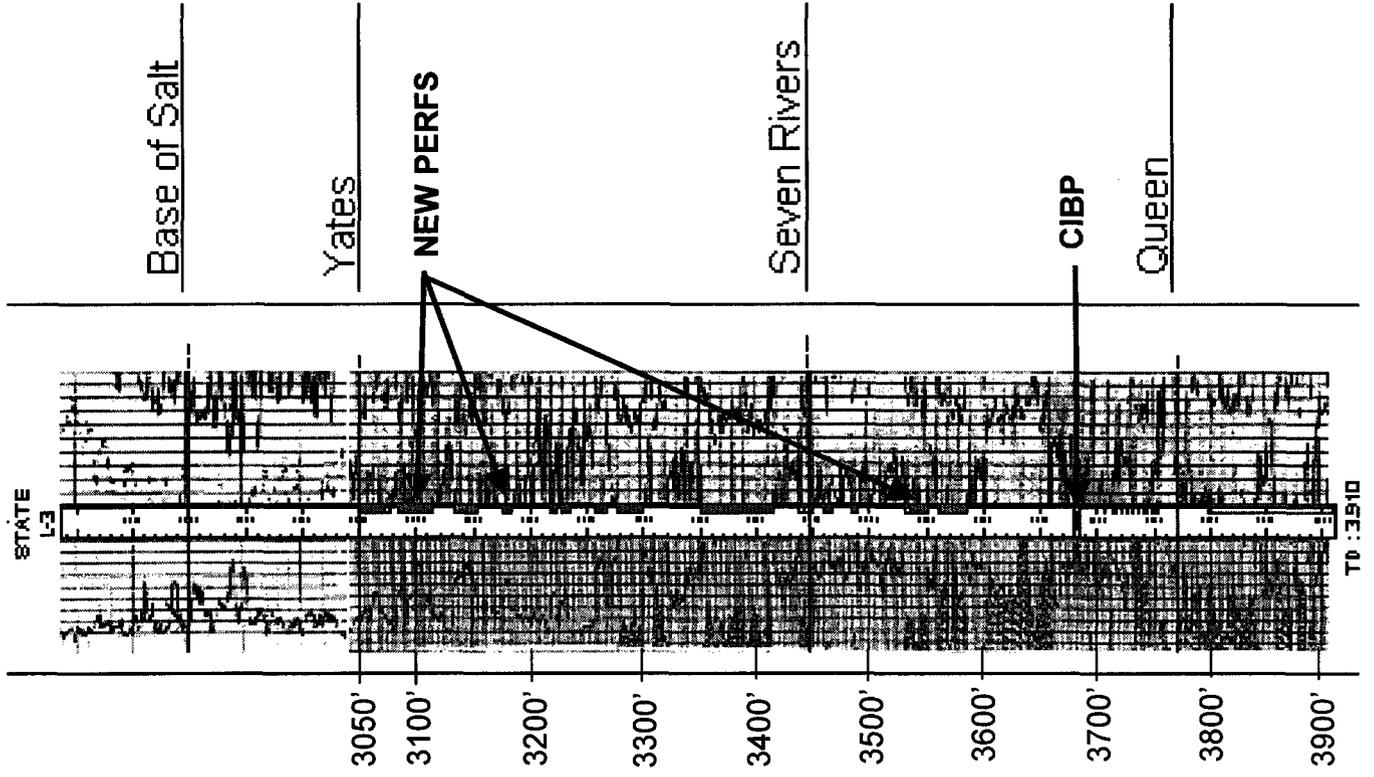
STATE L 4
 EUMONT FIELD, YATES 7 RIVERS QUEEN ZONE
 LEA CO., NM - OPERATOR: CITATION OIL AND GAS CORP





State L3

**Gamma Ray Neutron Log
with New Completion
Details**



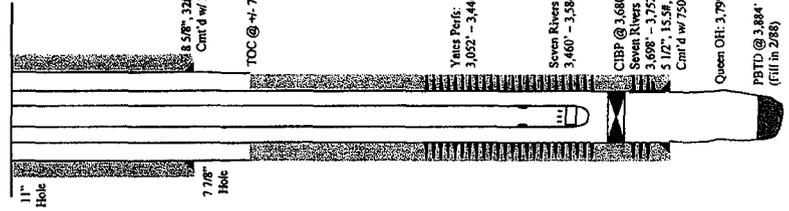
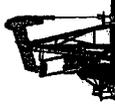


L3 - Production Configuration After Workover

CITATION OIL AND GAS CORPORATION
PROPOSED WELLBORE DIAGRAM AND INFORMATION

Well Name: State L.#3 Field: Eumont
Date: March 9, 2004 Location: 660' FSL & 1980' FEL, Sec. 1
County: Lea State: New Mexico

Surface: 660' FSL & 1980' FEL,
Sec. 1, T11S-R33E,
Lea County, NM
Completed: June 1954
Elevation: 3285' (DP)
KB: 43'



Size	Weight	Grade	Depth
8 5/8"	32	H-40	Surf. - 354
5 1/2"	15.5	J-55	Surf. - 3799

Qty	Description	Length	Depth
--	KB	13	13
113	Jts 2 3/8", 4.7 lb, J-55 10g	3505	3518
1	Jt 2 3/8", 4.7 lb, J-55 IPC 10g	31	3549
1	2 3/8" SN	1	3550
1	2 3/8" Tbg Sub	4	3554
1	Cavins D230IG Desander	20	3574
2	Jts 2 3/8" BPMA	62	3636

Qty	Size	Type	Length
1	3/4"	KD Subs	+/- 10
141	3/4"	KD	3,525
1	3/4"	KD Sub	2

Polish Rod: 1 1/4" x 16' w/ 1 1/2" x 10' Liner
Pump: 2" x 1 1/2" x 12'

Vaca Perfs:
3,052' - 3,446' (204 holes)

Seven Rivers Perfs:
3,460' - 3,586' (60 holes)

CIBP @ 3,600' w/ 20' amt cap
Seven Rivers Perfs:
3,698' - 3,752' (12 holes)
5 1/2", 15.5 lb, J-55 Csg @ 3,799'
Cmt'd w/ 750 sx.

Queen Off: 3,799' - 3,908'

PBTD @ 3,884'
(Fill in 268')

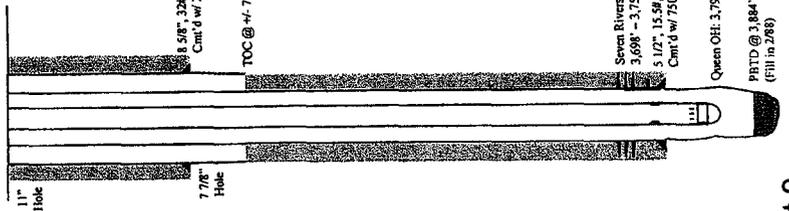
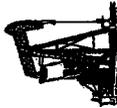
TD @ 3,908'

L3 - Shut-in Prior to Workover

CITATION OIL AND GAS CORPORATION
CURRENT WELLBORE DIAGRAM AND INFORMATION

Well Name: State L.#3 Field: Eumont
Date: March 9, 2004 Location: 660' FSL & 1980' FEL, Sec. 1
County: Lea State: New Mexico

Surface: 660' FSL & 1980' FEL,
Sec. 1, T11S-R33E,
Lea County, NM
Completed: June 1954
Elevation: 3285' (DP)
KB: 43'



Size	Weight	Grade	Depth
8 5/8"	32	H-40	Surf. - 354
5 1/2"	15.5	J-55	Surf. - 3799

Qty	Description	Length	Depth
--	KB	13	13
128	Jts 2 3/8", 4.7 lb, J-55 10g	3774	3787
1	Jt 2 3/8", 4.7 lb, J-55 IPC 10g	31	3818
1	2 3/8" SN	1	3819
1	2 3/8" Perf Sub	4	3823
1	Jt 2 3/8" BPMA	29	3852

Qty	Size	Type	Length
4	3/4"	KD Subs	24
151	3/4"	KD	3,775
1	3/4"	KD Sub	2

Polish Rod: None
Pump: 2" x 1 1/2" x 12'

Seven Rivers Perfs:
3,698' - 3,752' (12 holes)
5 1/2", 15.5 lb, J-55 Csg @ 3,799'
Cmt'd w/ 750 sx.

Queen Off: 3,799' - 3,908'

PBTD @ 3,884'
(Fill in 268')

TD @ 3,908'



WTA

STATE L 3

EUMONT FIELD
LEA COUNTY, NM
OAP and Frac

Morning Reports with Estimated Gas Rates

CapBudget#: 107
AFE#: 040355
AFE Cost: \$295,000
COG WI: 100 %
STATUS: A

Date	Day	Operation	DC	CC	TD	PBTD
8/24/2004	Day: 25 /	Present Operation: Pumping to battery				
8/23/04		24 hrs Pmp'd 0 BO, 2 BW, 319 MCF, FAP = 221' (foam?), TP = 200#, CP = 11#, BLWTR = 1248 Lease Production: 17 BO, 270 BW, 582 MCF	\$0	\$335,620		
8/25/2004	Day: 26 /	Present Operation: Pumping to battery				
8/24/04		24 hrs Pmp'd 1 BO, 4 BW, 326 MCF, FAP - N/A, TP = 200#, CP = 11#, BLWTR = 1244 Lease Production: 16 BO, 272 BW, 589 MCF	\$0	\$335,620		
8/26/2004	Day: 27 /	Present Operation: Pumping to battery				
8/25/04		24 hrs Pmp'd 0.5 BO, 5 BW, 313 MCF, FAP - 310' (foam), TP = 200#, CP = 7#, BLWTR = 1239 Lease Production: 17 BO, 273 BW, 580 MCF	\$0	\$335,620		
8/27/2004	Day: 28 /	Present Operation: Pumping to battery				
8/26/04		24 hrs Pmp'd 0 BO, 0 BW, 167 MCF, FL @ 86 JFS, FAP - 798', TP = 110#, CP = 18#, BLWTR = 1239 (Comp dn 16 hrs - wtr temp) Lease Production: 10 BO, 250 BW, 303 MCF (Comp dn 16 hrs - wtr temp)	\$6,000	\$341,620		

Note: \$6,000 added for moving & setting pumping unit, wrist pin repair & pumping unit base.



State L3 - Recompletion to Yates/7 Rvrs Estimated Potential Reserves

Initial Rate = 250 MCFPD (Test Rates Approx. 320 MCFPD when compressor running)
Est. Economic Limit = 7 MCFPD
Est. Decline = 30% per Annum

Remaining Reserve = $Q = - 365 \times (q_i - q_f) / \ln (1 - D)$

q_i = Initial Rate per Day

q_f = Final Rate per Day

D = Decline Rate (fraction)

Q = 248,672 MCF



Reserve Adds from Recompletion and/or Stimulation of L2 and L1

From Lease Production History Prior to L2 Work (9/96)

Initial Rate = 181 MCFPD
Est. Economic Limit = 14 MCFPD
Est. Decline = 16% per Annum

Remaining Reserve = $Q = - 365 X (q_i - q_f) / \ln (1 - D)$

Qa = 349,606 MCF - Remaining Lease Reserve
PRIOR to L2 Work

After L2 Work was Complete (from Lease Production Plot) :

Cum Prod from 9/96 to 12/2000 (L1 Work):
Ca = 374,900 MCF

Initial Rate = 181 MCFPD
Est. Economic Limit = 14 MCFPD
Est. Decline = 14% per Annum

Remaining Reserve = $Q = - 365 X (q_i - q_f) / \ln (1 - D)$

Qb= 403,958 MCF - Remaining Lease Reserve
PRIOR to L1 Work

Change in Reserves from Work on L2 in 1996:

Delta Q = (Qb + Ca) - Qa

Therefore, Delta Q = 429,252 MCF (from L2 Work)

After L1 Work was Complete (from Lease Production Plot) :

Remaining Reserves Prior to L1
Qa = 403,958 MCF

Cum Prod from 12/2000 to 8/2004 (L3 Work):
Ca = 321,980 MCF

Initial Rate = 181 MCFPD
Est. Economic Limit = 14 MCFPD
Est. Decline = 18% per Annum

Remaining Reserve = $Q = - 365 X (q_i - q_f) / \ln (1 - D)$

Qb= 307,009 MCF - Remaining Lease Reserve
PRIOR to L1 Work

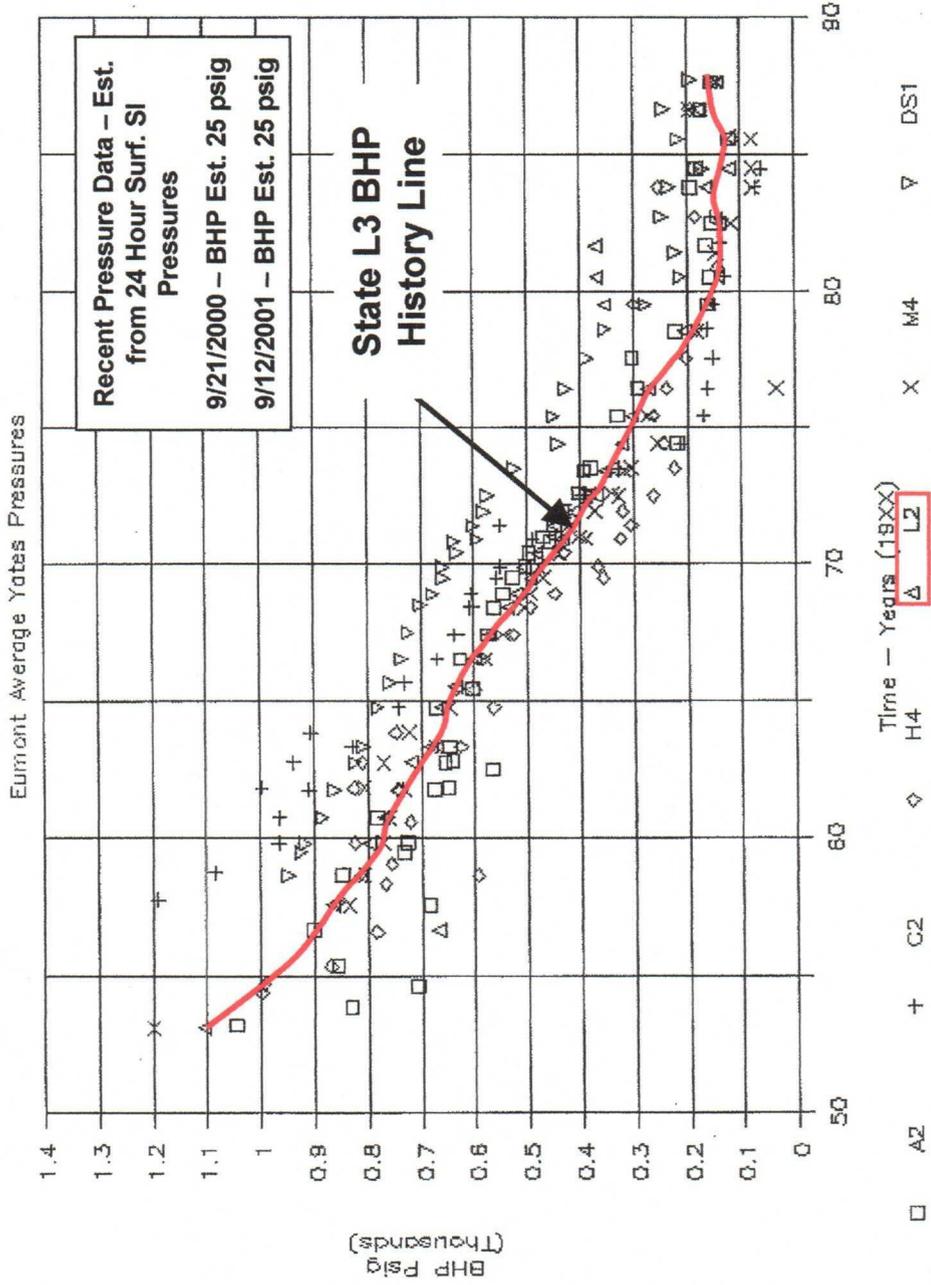
Change in Reserves from Work on L1 in 2000:

Delta Q = (Qb + Ca) - Qa

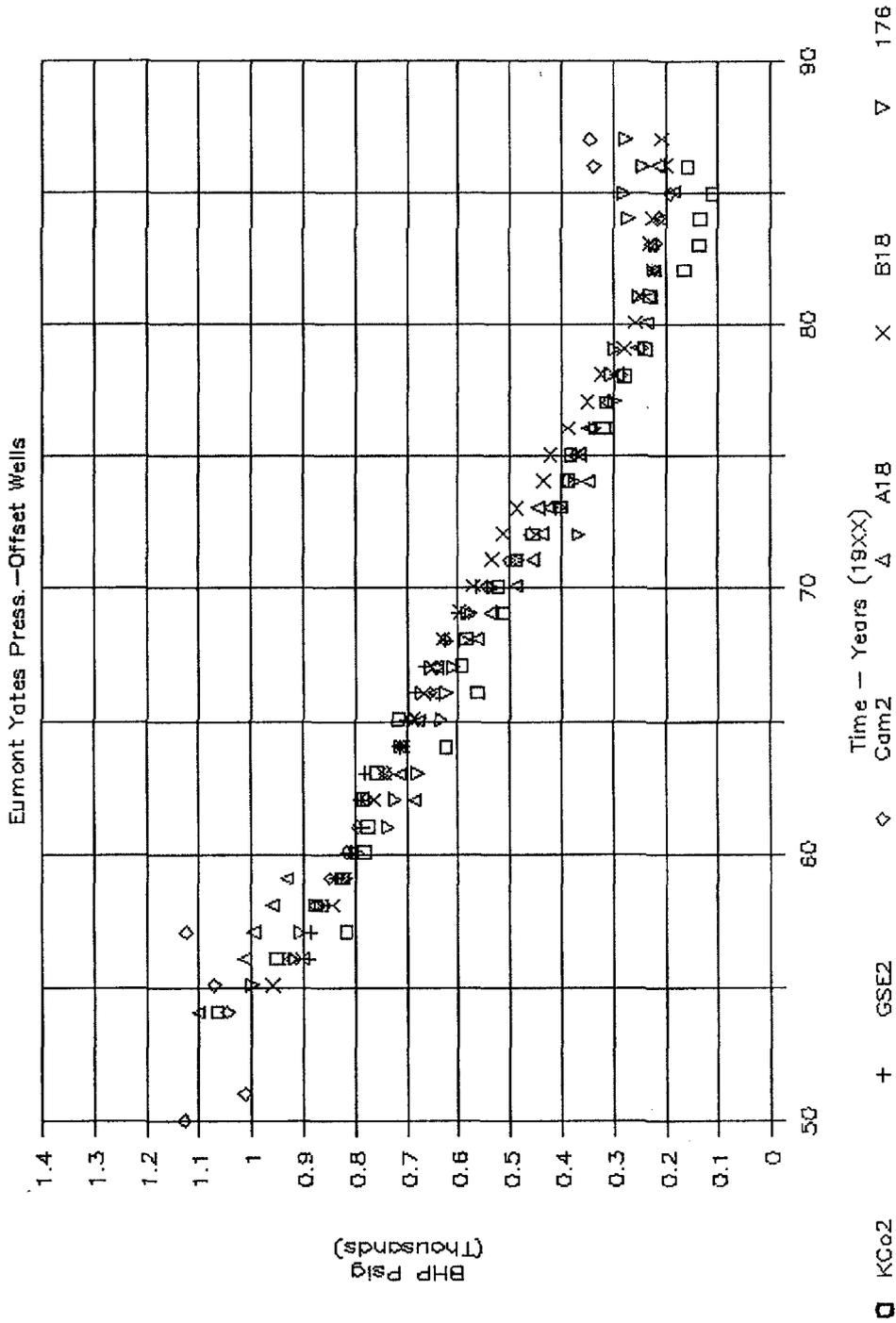
Therefore, Delta Q = 225,030 MCF (from L1 Work)

Summary of Gross Gas Reserve Additions:

Reserves Added by State L2 Frac – 429 MMCF
Reserves Added by State L1 Open Yates & 7
Rivers/Queen – 225 MMCF



**SI Wellhead Pressures from Various Citation Leases in
the Eumont Field - COG Reservoir Study 1987-1988**



**SI Wellhead Pressures from Various Leases Offsetting
Citation Leases in the Eumont Field - COG Reservoir
Study 1987-1988**



**COG - Devonian State Gas Production History Yates/7 Rivers
Initial Production - 1953 in Dev St Comm 1 (Now Dev St 5)**

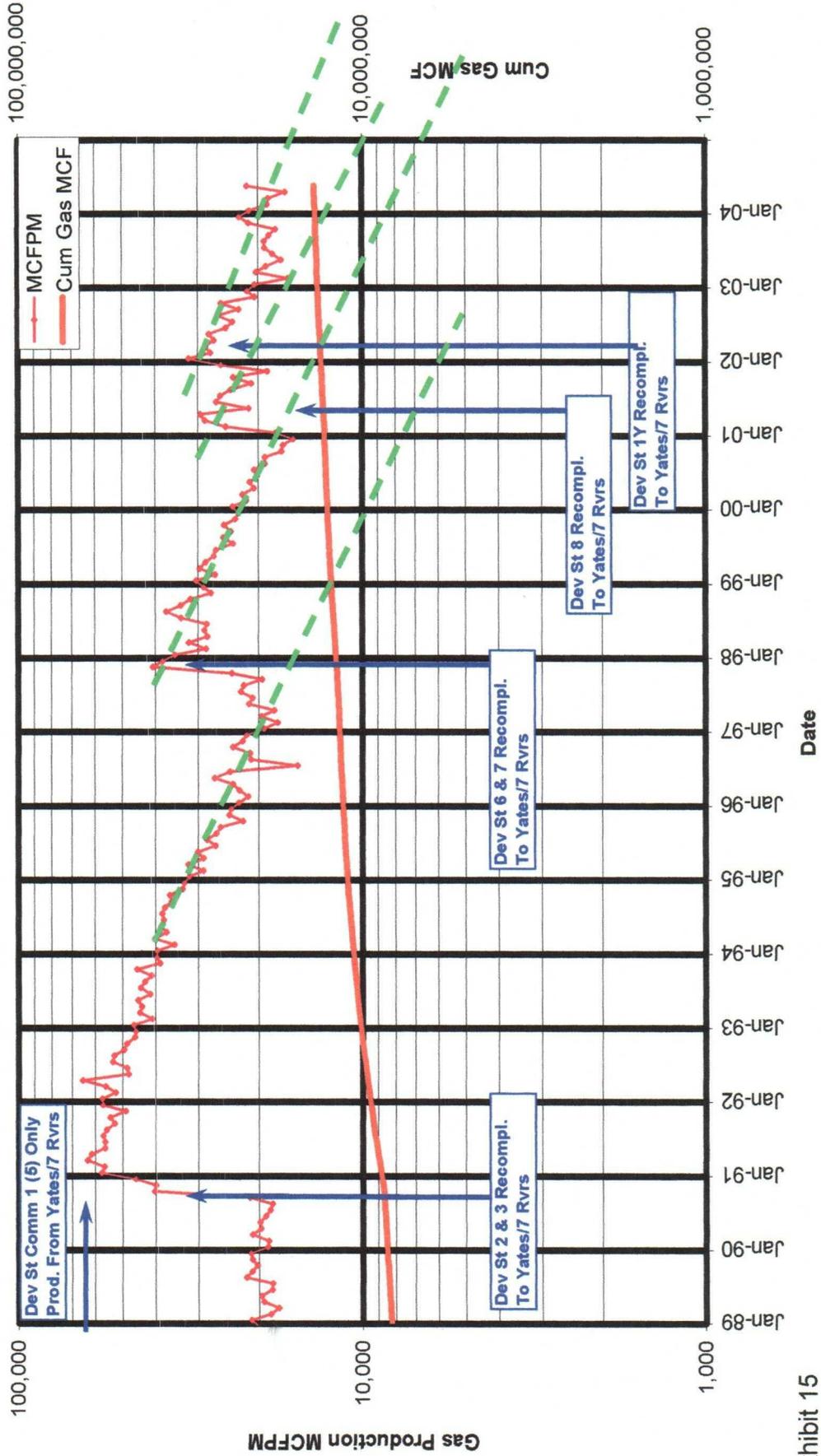


Exhibit 15

Note that, after each drainage point addition, the extrapolation (green dashed lines) of the production trends show a significant increase in gas reserves from the lease as a result of the work.

**CITATION OIL & GAS CORP.
STATE "L" LEASE**

**Application for Simultaneous Decdication of Acreage
Eumont Yates Seven Rivers Queen (Pro Gas) Pool
SE Sec. 1, T21S, R35E
Lea County, New Mexico**

SURFACE OWNER

**State of New Mexico
Commissioner of Public Lands
P.O. Box 1148
Santa Fe, NM 87504-1148**

**Surface Owner
Sec. 1, T21S, R35E**

OFFSET OPERATORS

**Amerada Hess Corp.
Drawer D
Monument, NM 88265**

**Sec. 1, T21S, R35E, Unit N, SE SW
Unit K, NE SW & Unit C, NE NW**

**Chevron USA, Inc.
P.O. Box 1150
Midland, TX 79702**

**Sec. 6, T21S, R36E; Unit L, NW SW &
Unit M, SW SW
Sec. 7, T21S, R36E; Unit D, NW NW**

**Unichem International, Inc.
P.O. Box 1499
Hobbs, NM 88240**

Sec. 6, T21S, R36E; Unit L, NW SW



KELLAHIN & KELLAHIN
Attorney at Law

W. Thomas Kellahin
Recognized Specialist in the Area of
Natural Resources-oil and gas law-
New Mexico Board of Legal Specialization

P.O. Box 2265
Santa Fe, New Mexico 87504
117 North Guadalupe
Santa Fe, New Mexico 87501

Telephone 505-982-4285
Facsimile 505-982-2047
kellahin@earthlink.net

September 2, 2004

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

**NOTICE OF THE FOLLOWING NEW MEXICO OIL CONSERVATION
DIVISION ADMINISTRATIVE CASE:**

TO ALL PARTIES ON NOTICE LIST

*Re: Administrative Application of Citation Oil & Gas Corp. for approval
of a "well density" exception to Order R-8170-P for the SE/4 of Section 1, T21S,
R35E, Lea County, New Mexico.*

Dear Party:

On behalf of Citation Oil & Gas Corp, please find enclosed a copy of its referenced administrative application. If you have no objection, then there is nothing for you to do. If you are willing to waiver objection, please sign this letter as indicated and return it to me. However, should you have any objection to the Division approving this application, then it will be necessary for you to file a written objection with the New Mexico Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505 within twenty (20) days of the date of this letter. Failure to file a timely objection will preclude Yates from objecting at a later date.

Very truly yours,



W. Thomas Kellahin

WAIVER OF OBJECTION:

By: _____ with authority for
and on behalf of _____
Date: _____



Stogner, Michael

From: Thomas Kellahin [kellahin@earthlink.net]
Sent: Monday, October 11, 2004 12:28 PM
To: Michael E. Stogner
Cc: Sharon Ward
Subject: Citation

Re: Citation Administrative Application
Well Density for SE/4 Sec 1, T21S, R35E
Eumont Gas Pool
Filing date September 3, 2004

Citation has requested a status report for the referenced application. Regards, WTK

This email has been scanned by the MessageLabs Email Security System.
For more information please visit <http://www.messagelabs.com/email>

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

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

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

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

I.

Operator Citation Oil & Gas Corp.	Well API No. 30-025-03391
Address 8223 Willow Place South Ste 250 Houston, Texas 77070	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input type="checkbox"/>	Change in Transporter of: Effective 2-1-92 Gas Transporter change
Recompletion <input type="checkbox"/>	Oil <input checked="" type="checkbox"/> Dry Gas <input type="checkbox"/> Effective 11-1-93 Oil Transporter change
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>

If change of operator give name and address of previous operator _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name State L	Well No. 3	Pool Name, including Formation Eumont Yates 7 Rivers Queen	Kind of Lease State, Federal None	Lease No. B-1400
Location Unit Letter <u>W</u> : <u>660</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>East</u> Line Section <u>21S</u> Township <u>35E</u> Range _____ NMPM, Lea County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil EOTT Oil Pipeline Company <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) P.O. Box 4665 Houston, Texas 77210-4666
Name of Authorized Transporter of Casinghead Gas GPM Gas Corporation <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) Bartlesville, Oklahoma 74004
If well produces oil or liquids, give location of tanks. Same	Is gas actually connected? 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
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

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.

Signature Sharon Ward
Printed Name Sharon Ward Title Prod. Reg. Supv.
Date 11-9-93 Telephone No. 713-469-9664

OIL CONSERVATION DIVISION

Date Approved NOV 30 1993
By JERRY SEXTON DISTRICT SUPERVISOR
Title DISTRICT I SUPERVISOR

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 recompleter wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

Submit 3 Copies
 Appropriate District Office
 DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
 Energy, Minerals and Natural Resources Department

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

OIL CONSERVATION DIVISION

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

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

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

**REQUEST FOR ALLOWABLE AND AUTHORIZATION
 TO TRANSPORT OIL AND NATURAL GAS**

I.

Operator Citation Oil & Gas Corp.	Well API No. 30-025-03391
Address 8223 Willow Place South Ste 250 Houston, Texas 77070	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input type="checkbox"/>	Change in Transporter of: <input type="checkbox"/> Effective 2-1-92 Gas Transporter change
Recompletion <input type="checkbox"/>	Oil <input checked="" type="checkbox"/> Dry Gas <input type="checkbox"/> Effective 11-1-93 Oil Transporter change
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>

If change of operator give name and address of previous operator

II. DESCRIPTION OF WELL AND LEASE

Lease Name State L	Well No. 3	Pool Name, including Formation Eumont Yates 7 Rivers Queen	Kind of Lease State, Federal, etc.	Lease No. B-1400
Location Unit Letter <u>W</u> : <u>660</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>East</u> Line 1 Section 21S Township 35E Range , NMPM, Lea 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"/> EOTT Oil Pipeline Company	Address (Give address to which approved copy of this form is to be sent) P.O. Box 4666 Houston, Texas 77210-4666			
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/> GPM Gas Corporation	Address (Give address to which approved copy of this form is to be sent) Bartlesville, Oklahoma 74004			
If well produces oil or liquids, give location of tanks. Same	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:

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 wip 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
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

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.

Sharon Ward
 Signature
 Sharon Ward Prod. Reg. Supv.
 Printed Name Title
 11-9-93 713-469-9664
 Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved NOV 3 0 1993
 By JERRY SEXTON
 JERRY SEXTON
 DISTRICT I SUPERVISOR
 Title

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.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

NAME OF OPERATOR	
ADDRESS	
CITY	
STATE	
ZIP	
DATE	
TIME	
BY	
OFFICE	
OPERATOR	
REGISTRATION OFFICE	

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. OPERATOR
Operator Shell Western E&P, Inc.

Address
200 North Dairy Ashford, P.O. Box 991, Houston, Texas 77001

Reason(s) for filing (Check proper box)
 New Well Change in Transporter of: _____ Other (Please explain) _____
 Recompletion Oil Dry Gas
 Change in Ownership Costhead Gas Condensate

If change of ownership give name and address of previous owner: Shell Oil Company, P.O. Box 991, Houston, Texas 77001

II. DESCRIPTION OF WELL AND LEASE

Lease Name <u>State L</u>	Well No. <u>3</u>	Pool Name, including Formation <u>Eumont Yates 7 Rivers Queen</u>	Kind of Lease State, Federal or Fee	State <u>State</u>	Lease No.
Location Unit Letter <u>W</u> <u>6660</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>East</u>					
Line of Section <u>01</u>	T. orship <u>21S</u>	Range <u>35E</u>	Lea		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"/> <u>Shell Pipeline Corp.</u>	Address (Give address to which approved copy of this form is to be sent) <u>P.O. Box 1910 Midland, TX 79702</u>
Name of Authorized Transporter of Costhead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> <u>Phillips Pipeline Company</u>	Address (Give address to which approved copy of this form is to be sent) <u>4001 Penbrook St. Odessa, Texas 79762</u>
If well produces oil or liquids, give location of tanks. <u>No Change</u>	is gas actually connected? When <u>Yes</u> <u>NA</u>

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

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas well	New Well	Workover	Deepen	Plug Back	Same Res'n.	Diff. Res'n.
Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.					
Elevations (DF, RKB, RT, CR, 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 (Test must be after recovery of total volume of load oil and must be equal to or exceed top allow able for this depth or be for full 24 hours)

Date First New Oil Ran 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			
Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MCF	Gravity of Condensate
Testing Method (prior, back pr.)	Tubing Pressure (stat-in)	Casing Pressure (stat-in)	Choke Size

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

[Signature]
Attorney-in-Fact
December 1, 1983 Effective January 1, 1984
(Date)

OIL CONSERVATION DIVISION
APPROVED JAN 31 1984, 12
BY ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I 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 deepens well, this form must be accompanied by a fabrication of the deviated tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allow able 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 multiple recompleted wells.

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U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State Fee
5. State Oil & Gas Lease No.

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 -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator Shell Oil Company	8. Farm or Lease Name State L
3. Address of Operator P. O. Box 1509 - Midland, Texas 79701	9. Well No. 3
4. Location of Well UNIT LETTER W 660 FEET FROM THE South LINE AND 1980 FEET FROM THE East LINE, SECTION 1 TOWNSHIP 21-S RANGE 35-E NMPM.	10. Field and Pool, or Wildcat Eumont
15. Elevation (Show whether DF, RT, GR, etc.) 3606 DF	12. County Lea

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

April 9, 1972

Acidized open hole 3799-3908 with 2700 gal 15% NE acid.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNED *M. Greene* TITLE **Senior Production Engineer** DATE **5-1-72**

J. R. Farina

APPROVED BY *Joe D. Ramey* TITLE Dist. I, Supv. DATE **MAY 4 1972**

CONDITIONS OF APPROVAL, IF ANY:

NO. OF COPIES RECEIVED		
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SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

MAR 12 1967

5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. B-1400
7. Unit Agreement Name ---
8. Farm or Lease Name State L
9. Well No. 3
10. Field and Pool, or Wildcat Eumont
12. County Lea

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 -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <input type="checkbox"/>
2. Name of Operator Shell Oil Company (Western Division)
3. Address of Operator Post Office Box 1509, Midland, Texas 79701
4. Location of Well UNIT LETTER W 660 FEET FROM THE South LINE AND 1980 FEET FROM THE East LINE, SECTION 1 TOWNSHIP 21-S RANGE 35-E NMPM.
15. Elevation (Show whether DF, RT, GR, etc.) 3606' DF

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER _____ <input type="checkbox"/>		OTHER _____ <input type="checkbox"/>	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

MARCH 27, 1967 THROUGH APRIL 8, 1967

1. Pulled rods, pump and tubing.
2. Ran 2 - 80' 100 grains/ft. string shots over open hole interval 3810'-3890'.
3. Ran 125 joints (3847'), 2" 8RD tubing, hung at 3906', 30' OPMA, 2" SN at 3875' with 1 - 4', 1 - 10', and 1 - 6' 2" subs on top of string.
4. Treated with 2000 gallons 28% LST-NE acid.
5. Ran 2" x 1 1/2" x 12' KWAC Sargent pump on 154 3/4" rods, 2 - 2', 2 - 4', and 1 - 6' x 3/4" rod subs.
6. Recovered load.
7. Placed on production.
8. In 24 hours pumped 18 BO and 69 BW on 16 - 34" SPM.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.
Original Signed By
N. W. Harrison

SIGNED N. W. Harrison TITLE Staff Exploitation Engineer DATE April 11, 1967

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY _____

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION C.

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

MAR 23 1 20 PM '67

5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. B-1400
7. Unit Agreement Name ---
8. Farm or Lease Name State L
9. Well No. 3
10. Field and Pool, or Wildcat Eumont
12. County Lea

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 --" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER- <input type="checkbox"/>
2. Name of Operator Shell Oil Company (Western Division)
3. Address of Operator Post Office Box 1509, Midland, Texas 79701
4. Location of Well UNIT LETTER W 660 FEET FROM THE South LINE AND 1980 FEET FROM THE East LINE, SECTION 1 TOWNSHIP 21-S RANGE 35-E N.M.P.M.
15. Elevation (Show whether DF, RT, GR, etc.) 3606' DF

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIATION WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPERATIONS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER <input type="checkbox"/>

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

1. Pull rods, pump and tubing.
2. Run 2 - 80' 1000 grains/ft. string shots over open hole interval 3810'-3890'.
3. Clean out if necessary.
4. Run tubing.
5. Treat with 2000 gallons 28% acid.
6. Recover load.
7. Place on production.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Original Signed by
SIGNED N. W. Harrison TITLE Staff Exploitation Engineer DATE March 22, 1967

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
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U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
PRODUCTION OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

FORM C-103
(Rev 3-55)

MISCELLANEOUS REPORTS ON WELLS

(Submit to appropriate District Office as per Commission Rule 11061)

1963 JUN 26 AM 10:41

Name of Company Shell Oil Company				Address P. O. Box 1858, Roswell, New Mexico			
Lease State L	Well No. 3	Unit Letter W	Section 1	Township 21S	Range 35E		
Date Work Performed 6-14-63 thru 6-23-63	Pool Eumont			County Lea			

THIS IS A REPORT OF: (Check appropriate block)

- Beginning Drilling Operations
 Casing Test and Cement Job
 Other (Explain):
 Plugging
 Remedial Work

Detailed account of work done, nature and quantity of materials used, and results obtained.

1. Pulled rods, pump and tubing.
2. Ran 2-1000 grains/foot string shot over open hole interval 3810' - 3890'.
3. Reran 120 jts. (3699') 2" tubing & hung at 3703', 2" SN at 3671', 1 jt. BPMA Hague gas anchor 3672' - 3675'.
4. Treated via tubing w/1000 gallons Fe MCA.
5. Reran rods and pump.
6. Recovered load.
7. In 24 hours pumped 23 BO + 44 BW w/16-34" SPM.

Witnessed by M. R. Dillon	Position Production Foreman	Company Shell Oil Company
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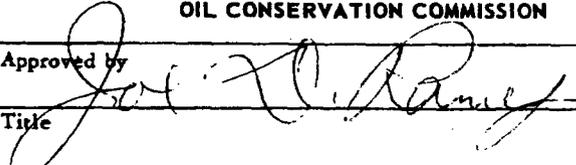
FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY

ORIGINAL WELL DATA

DF Elev. 3606'	TD 3908'	PBTD -	Producing Interval 3799' - 3908'	Completion Date 6-22-54
Tubing Diameter 2"	Tubing Depth 3703'	Oil String Diameter 5 1/2"	Oil String Depth 3799'	
Perforated Interval(s) 1 - -----				
Open Hole Interval 3799' - 3908'			Producing Formation(s) Seven Rivers	

RESULTS OF WORKOVER

Test	Date of Test	Oil Production BPD	Gas Production MCFPD	Water Production BPD	GOR Cubic feet/Bbl	Gas Well Potential MCFPD
Before Workover	5-7-63	11	147.5	10	13,407	-
After Workover	6-23-63	23	265.8	44	11,557	-

OIL CONSERVATION COMMISSION		I hereby certify that the information given above is true and complete to the best of my knowledge.	
Approved by 		Original Signed By R. A. Lowery District Exploitation Engineer	
Title Joe W. Ramsey		Name Shell Oil Company	
Date		Position	
		Company	

NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
PROGRATION OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

MISCELLANEOUS NOTICES

strict Office, Oil Conservation Commission, before the work specified is to begin. A copy will be returned to the school on which will be given the approval, with any modifications considered advisable, or the rejection by the Commission or agent, of the plan submitted. The plan as approved should be followed, and work should not begin until approval is obtained. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Notice by Checking Below

NOTICE OF INTENTION TO CHANGE PLANS		NOTICE OF INTENTION TO TEMPORARILY ABANDON WELL		NOTICE OF INTENTION TO DRILL DEEPER	
NOTICE OF INTENTION TO PLUG WELL		NOTICE OF INTENTION TO PLUG BACK		NOTICE OF INTENTION TO SET LINER	
NOTICE OF INTENTION TO SQUEEZE		NOTICE OF INTENTION TO ACIDIZE	X	NOTICE OF INTENTION TO SHOOT (Nitro)	
NOTICE OF INTENTION TO GUN PERFORATE		NOTICE OF INTENTION (OTHER)		NOTICE OF INTENTION (OTHER)	

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Roswell, New Mexico
(Place)

June 11, 1963
(Date)

Gentlemen:

Following is a Notice of Intention to do certain work as described below at the.....

Shell Oil Company State L Well No. 3 in W
 (Company or Operator) Lessee (Unit)
 SW ¼ SE ¼ of Sec. 1, T. 21S, R. 35E, NMPM, Eumont Pool
 (40-acre Subdivision)
 Lea County.

FULL DETAILS OF PROPOSED PLAN OF WORK
(FOLLOW INSTRUCTIONS IN THE RULES AND REGULATIONS)

1. Pull tubing.
2. Run 2-1000 grains/foot string snots over open hole interval 3810' - 3890'.
3. Run tubing open-ended and treat w/1000 gallons 15% Fe acid.
4. Recover load and place on production.

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

Approved
OIL CONSERVATION COMMISSION
By: *Leslie A. Clements*
Title:.....

Shell Oil Company
Company or Operator
Original Signed By
By: R. A. Lowery R. A. LOWERY
Position: District Exploitation Engineer
Send Communications regarding well to:
Name: Shell Oil Company
Address: P. O. Box 1858, Roswell, New Mexico

NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.P.O.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
PRODUCTION OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION
MISCELLANEOUS REPORTS ON WELLS

FORM C-103
(Rev 3-55)

(Submit to appropriate District Office as per Commission Rule 1106)

Name of Company Shell Oil Company		Address P. O. Box 1858, Roswell, New Mexico				
Lease State L	Well No. 3	Unit Letter W	Section 1	Township 21S	Range 35E	
Date Work Performed 1-24-62 thru 1-31-62	Pool Eumont	County Lea				

THIS IS A REPORT OF: (Check appropriate block)

- Beginning Drilling Operations
 Casing Test and Cement Job
 Other (Explain):
 Plugging
 Remedial Work

Detailed account of work done, nature and quantity of materials used, and results obtained.

1. Pulled rods, pump and tubing.
2. Ran -1500 grains/foot string shot followed by 1-500 grains/foot string shot from 3810' - 3875'.
3. Ran 120 jts. (3699') 2", SUE, tubing and hung at 3703', 2" Seating Nipple at 3671'.
4. Treated via tubing w/1000 gallons 15% NEA.
5. Reran pump and rods.
6. Recovered load.
7. In 21 hours pumped 45 BO + 14 BW w/16-34" SEM.

Witnessed by H. B. Leach	Position Production Foreman	Company Shell Oil Company
------------------------------------	---------------------------------------	-------------------------------------

FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY

ORIGINAL WELL DATA

D F Elev. 3606'	T D 3908'	P B T D -	Producing Interval 3799' - 3908'	Completion Date 6-22-54
Tubing Diameter 2'	Tubing Depth 3703'	Oil String Diameter 5 1/2"	Oil String Depth 3799'	
Perforated Interval(s) -				
Open Hole Interval 3799' - 3908'			Producing Formation(s) Seven Rivers	

RESULTS OF WORKOVER

Test	Date of Test	Oil Production BPD	Gas Production MCFPD	Water Production BPD	GOR Cubic feet/Bbl	Gas Well Potential MCFPD
Before Workover	1-8-62	13	189.8	5	14,600	-
After Workover	1-31-62	51	412.5	17	8089	-

OIL CONSERVATION COMMISSION		I hereby certify that the information given above is true and complete to the best of my knowledge.	
Approved by		Name	Original Signed By: V. L. KING
Title		Position	Acting District Exploitation Engineer
Date		Company	Shell Oil Company

NUMBER	COPIES RECEIVED
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
PRODUCTION OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

MISCELLANEOUS NOTICES

strict Office, Oil Conservation Commission, before the work specified is to begin. A copy will be submitted to the Bureau on which will be given the approval, with any modifications considered advisable, or the rejection by the Commission or agent, of the plan submitted. The plan as approved should be followed, and work should not begin until approval is obtained. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Notice by Checking Below

NOTICE OF INTENTION TO CHANGE PLANS		NOTICE OF INTENTION TO TEMPORARILY ABANDON WELL		NOTICE OF INTENTION TO DRILL DEEPER	
NOTICE OF INTENTION TO PLUG WELL		NOTICE OF INTENTION TO PLUG BACK		NOTICE OF INTENTION TO SET LINER	
NOTICE OF INTENTION TO SQUEEZE		NOTICE OF INTENTION TO ACIDIZE	X	NOTICE OF INTENTION TO SHOOT (NEBO)	
NOTICE OF INTENTION TO GUN PERFORATE		NOTICE OF INTENTION (OTHER)		NOTICE OF INTENTION (OTHER)	

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Roswell, New Mexico

January 17, 1962

(Place)

(Date)

Gentlemen:

Following is a Notice of Intention to do certain work as described below at the.....

Shell Oil Company State L Well No. 3 in W
 (Company or Operator) Lease 35E (Unit)
 SW 1/4 SE 1/4 of Sec. 1, T. 21S, R. 35E, NMPM, Eumont Pool
 (40-acre Subdivision) Lea County.

FULL DETAILS OF PROPOSED PLAN OF WORK
(FOLLOW INSTRUCTIONS IN THE RULES AND REGULATIONS)

PROPOSED OPERATION:

1. Run 1-500 grains/foot followed by 1-500 grains/foot string shots over interval 3810' - 3875'.
2. Treat w/1000 gallons 15% NEA.
3. Recover load and place on production.

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

Approved
OIL CONSERVATION COMMISSION

By.....
Title.....

Shell Oil Company

Company or Operator Original Signed By
By R. A. Lowery R. A. LOWERY

Position District Exploitation Engineer
Send Communications regarding well to:

Name Shell Oil Company
Address Box 1858, Roswell, New Mexico

NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.C.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
PRODUCTION OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
**CERTIFICATE OF COMPLIANCE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS**

FORM C-110
(Rev. 7-60)

FILE THE ORIGINAL AND 4 COPIES WITH THE APPROPRIATE OFFICE

Company or Operator Shell Oil Company			Lease State L	Well No. 3
Unit Letter W	Section 1	Township 21S	Range 35E	County Lea

Pool Emont	Kind of Lease (State, Fed. Fee) State
----------------------	---

If well produces oil or condensate give location of tanks	Unit Letter 0	Section 1	Township 21S	Range 35E
--	-------------------------	---------------------	------------------------	---------------------

Authorized transporter of oil <input checked="" type="checkbox"/> or condensate <input type="checkbox"/> Shell Pipe Line Corporation	Address (give address to which approved copy of this form is to be sent) P. O. Box 1598, Hobbs, New Mexico
--	--

Is Gas Actually Connected? Yes No

Authorized transporter of casing head gas <input checked="" type="checkbox"/> or dry gas <input type="checkbox"/> Phillips Petroleum Company	Date Connected 11-24-60	Address (give address to which approved copy of this form is to be sent) P. O. Box 758, Hobbs, New Mexico
--	-----------------------------------	---

If gas is not being sold, give reasons and also explain its present disposition:

REASON(S) FOR FILING (please check proper box)

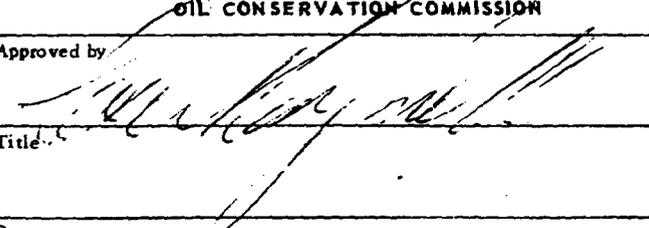
- | | |
|--|--|
| New Well <input type="checkbox"/> | Change in Ownership <input type="checkbox"/> |
| Change in Transporter (check one) | Other (explain below) |
| Oil <input type="checkbox"/> | Dry Gas <input type="checkbox"/> |
| Casing head gas <input type="checkbox"/> | Condensate <input type="checkbox"/> |

Remarks

Well now producing into combined State F, G, L, & M tank battery located on the State "M" Lease as authorized by NMOCC Order No. R-1804.

The undersigned certifies that the Rules and Regulations of the Oil Conservation Commission have been complied with.

Executed this the 12th day of January, 19 61.

Approved by 	By R. A. Lowery	Original Signed By R. A. LOWERY
	Title District Exploitation Engineer	
Title	Company Shell Oil Company	
Date	Address Box 845, Roswell, New Mexico	

NEW MEXICO OIL CONSERVATION COMMISSION
MISCELLANEOUS REPORTS ON WELLS

(Submit to appropriate District Office as per Commission Rule 1106)

COMPANY Shell Oil Company Box 845 Roswell, New Mexico
(Address)

LEASE State "L" WELL NO. 3 UNIT W S 1 T 21 R 35

DATE WORK PERFORMED June 30, 1958 POOL Eumont

This is a Report of: (Check appropriate block) Results of Test of Casing Shut-off
 Beginning Drilling Operations Remedial Work
 Plugging Other Install pumping unit

Detailed account of work done, nature and quantity of materials used and results obtained.

Installed Parkersburg CCS CH114 DK-16-A3, 22 1/2 Polly Pumping Unit.

FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY

Original Well Data:

DF Elev. _____ TD _____ PBD _____ Prod. Int. _____ Compl Date _____

Tbng. Dia _____ Tbng Depth _____ Oil String Dia _____ Oil String Depth _____

Perf Interval (s) _____

Open Hole Interval _____ Producing Formation (s) _____

RESULTS OF WORKOVER:

BEFORE

AFTER

Date of Test _____

Oil Production, bbls. per day _____

Gas Production, Mcf per day _____

Water Production, bbls. per day _____

Gas-Oil Ratio, cu. ft. per bbl. _____

Gas Well Potential, Mcf per day _____

Witnessed by _____

(Company)

OIL CONSERVATION COMMISSION

I hereby certify that the information given above is true and complete to the best of my knowledge.

ORIGINAL SIGNED BY
R. L. ELKINS

Name _____
Title _____
Date _____

Name R. L. Elkins
Position Division Mechanical Engineer
Company Shell Oil Company

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(File the original and 4 copies with the appropriate district office)

CERTIFICATE OF COMPLIANCE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Company or Operator Shell Oil Company Lease State I

Well No. 1 Unit Letter S 1 T 29 R 35 Pool Armont

County Lea Kind of Lease (State, Fed. or Patented) State

If well produces oil or condensate, give location of tanks: Unit S 1 T 29 R 35

Authorized Transporter of Oil or Condensate Shell Pipeline

Address P. O. Box 1597, Hobbs, New Mexico

(Give address to which approved copy of this form is to be sent)

Authorized Transporter of Gas Phillips Petroleum Company

Address P. O. Box 755, Hobbs, New Mexico

(Give address to which approved copy of this form is to be sent)

If Gas is not being sold, give reasons and also explain its present disposition:

Reasons for Filing: (Please check proper box) New Well ()

Change in Transporter of (Check One): Oil Dry Gas C'head Condensate

Change in Ownership Other ()

Remarks: (Give explanation below)

~~Special attention is hereby requested to reduce the well production rate storage with wells on the same lease currently reported to within one?~~

The undersigned certifies that the Rules and Regulations of the Oil Conservation Commission have been complied with.

Executed this the 27 day of July 19 55

By J. R. Lantry Port B. Merrill

Title Division - Production Engineer

Company Shell Oil Company

Address P. O. Box 1597, Hobbs, New Mexico

Approved [Signature] 19 55

OIL CONSERVATION COMMISSION

By M. Armstrong

Title Oil & Gas

NEW MEXICO OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE July 7, 1935

TO: Shell Oil Company

Box 1937

Hobbs, New Mexico

Gentlemen:

In accordance with the provisions of Commission Order No. R-520, your _____
State L, J V, 1-21-35 which, according to our
(Lease) (Well No.) (S.T.R.)
records, is producing from the Queen formation, will be placed in the
Summit Pool effective September 1, 1935, and from that date
forward will be subject to the Commission's rules and regulations governing that pool.

You are hereby instructed to file Form C-110 in Quintuplicate with the Hobbs
Office showing the change in pool designation not later than August 1, 1935. If
you desire to produce this well into common tankage with other wells in another pool
which are located on the same basic lease, please incorporate the following statement
on the form C-110: "Permission is hereby requested to produce this well into common
storage with wells on the same lease currently prorated in Eunice pool."

If you do not agree with this classification of your well you should notify
this office in writing immediately.

Failure to file Form C-110 by the specified time will result in Allowable
cancellation.

OIL CONSERVATION COMMISSION

BY A. L. Porter, Jr.

OCC Santa Fe

cc: Oil Transporter Shell Oil Company
Gas Transporter Phillips Petroleum Company
Well File

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

It is necessary that Form C-101 be approved before this form can be approved and an initial allowable be assigned to any completed Oil or Gas well. Submit this form in QUADRUPPLICATE.

CERTIFICATE OF COMPLIANCE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Company or Operator Shell Oil Company Lease State

Address Box 1957, Hobbs, New Mexico Box 1539, Midland, Texas
(Local or Field Office) (Principal Place of Business)

Unit..... Well(s) No. 3 Sec. 1 T. 21-S R. 35 Pool unice

County ef Kind of Lease: state

If Oil well Location of Tanks.....

Authorized Transporter Phillips Petroleum Co. Address of Transporter

Box 758, Hobbs, New Mexico Box 6000, Dallas, Texas
(Local or Field Office) (Principal Place of Business)

Per cent of Oil or Natural Gas to be Transported 100 Other Transporters authorized to transport Oil or Natural Gas from this unit are none

REASON FOR FILING: (Please check proper box)

NEW WELL..... CHANGE IN OWNERSHIP.....

CHANGE IN TRANSPORTER..... OTHER (Explain under Remarks).....

REMARKS:

This report covers casinghead gas production on the above lease in accordance with Commission order -98-1, Paragraph 9, rule 110, section (c).

The undersigned certifies that the Rules and Regulations of the Oil Conservation Commission have been complied with.

Executed this the..... day of..... 19.....

Approved....., 19.....
Shell Oil Company

OIL CONSERVATION COMMISSION

By L. H. Rattan

By..... Title Division Production Superintendent

Title.....

RECORD OF DRILL-STEM AND SPECIAL TESTS

If drill-stem or other special tests or deviation surveys were made, submit report on separate sheet and attach hereto

TOOLS USED

Rotary tools were used from 0 feet to 3908 feet, and from _____ feet to _____ feet.
 Cable tools were used from _____ feet to _____ feet, and from _____ feet to _____ feet.

PRODUCTION

Put to Producing 6-22, 1954
 OIL WELL: The production during the first 24 hours was 1116 barrels of liquid of which 88 % was
 was oil; _____ % was emulsion; 8 % water; and 4 % was sediment. A.P.I.
 Gravity 34.3° API GOR 919
 GAS WELL: The production during the first 24 hours was _____ M.C.F. plus _____ barrels of
 liquid Hydrocarbon. Shut in Pressure _____ lbs.
 Length of Time Shut in _____

PLEASE INDICATE BELOW FORMATION TOPS (IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE):

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy. <u>1484'</u>	T. Devonian	T. Ojo Alamo	
T. Salt	T. Silurian	T. Kirtland-Fruitland	
B. Salt	T. Montoya	T. Farmington	
T. Yates <u>3085'</u>	T. Simpson	T. Pictured Cliffs	
T. 7 Rivers	T. McKee	T. Menefee	
T. Queen	T. Ellenburger	T. Point Lookout	
T. Grayburg	T. Gr. Wash	T. Mancos	
T. San Andres	T. Granite	T. Dakota	
T. Glorieta	T. _____	T. Morrison	
T. Drinkard	T. _____	T. Penn	
T. Tubbs	T. _____	T. _____	
T. Abo	T. _____	T. _____	
T. Penn	T. _____	T. _____	
T. Miss	T. _____	T. _____	

FORMATION RECORD

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	355	355	Surface Sand, Caliche & Red Beds				
355	1350	995	Anhydrite				
1350	2922	1572	Anhydrite & Salt				
2922	3364	442	Anhydrite				
3364	3459	95	Anhydrite & Dolomite				
3459	3908	449	Dolomite				
TD	3908						

ATTACH SEPARATE SHEET IF ADDITIONAL SPACE IS NEEDED

I hereby swear or affirm that the information given herewith is a complete and correct record of the well and all work done on it so far as can be determined from available records.

6-25-54
(Date)

Company or Operator Shell Oil Company Address Box 1957
 Name B. Nevill Position or Title Division Exploitation Engineer

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

HOOPS OFFICE 000

It is necessary that Form C-101 be approved before this form can be approved an initial allowable be assigned to any completed Oil or Gas well. Submit this form in QUADRUPPLICATE.

JUN 21 AM 7:44

CERTIFICATE OF COMPLIANCE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Company or Operator Shell Oil Company Lease State I

Address Box 1257, Hobbs, New Mexico Box 1500, Midland, Texas
(Local or Field Office) (Principal Place of Business)

Unit W, Well(s) No. 3, Sec. 1, T. 21S, R. 35E, Pool Twice

County Lea Kind of Lease: State

If Oil well Location of Tanks Center of Lease

Authorized Transporter Shell Pipe Line Address of Transporter

Hobbs, New Mexico Louison, Texas
(Local or Field Office) (Principal Place of Business)

Per cent of Oil or ~~Natural Gas~~ to be Transported 100% Other Transporters authorized to transport Oil or Natural Gas from this unit are None

REASON FOR FILING: (Please check proper box)

NEW WELL CHANGE IN OWNERSHIP

CHANGE IN TRANSPORTER OTHER (Explain under Remarks)

REMARKS:

The undersigned certifies that the Rules and Regulations of the Oil Conservation Commission have been complied with.

Executed this the 25th day of June 19 54

Approved....., 19.....

OIL CONSERVATION COMMISSION
By [Signature]
Title

Original signed by
By B. Revill B. Revill
Title Division Reclamation Engineer

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

HOBBBS OFFICE 000

MISCELLANEOUS REPORTS ON WELLS JUN 7: 44

Submit this report in TRIPLICATE to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF PLUGGING WELL		REPORT ON RECOMPLETION OPERATION		REPORT ON SANDFRAC (Other) TREATMENT	X

6-25-54
(Date)

Hobbs, New Mexico
(Place)

Following is a report on the work done and the results obtained under the heading noted above at the

Shell Oil Company
(Company or Operator)

State I.
(Lease)

(Contractor), Well No. 3 in the SW SE 1/4 of Sec. 1

T. 21S, R. 35E, NMPM, Tunicas Pool, Lea County.

6-22-54

The Dates of this work were as follows:

Notice of intention to do the work (~~was~~) (was not) submitted on Form C-102 on Not required, 19

and approval of the proposed plan (was) (was not) obtained.

DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Treated open hole interval 3799-3908' with 15,000 gallons Sandfrac. After recovering hold load flowed 209 bbls. fluid, out 6 7/8 & 6 1/2 water, in 6 hrs.

Witnessed by J. R. Christian:
(Name)

Shell Oil Company
(Company)

Production Foreman
(Title)

Approved: OIL CONSERVATION COMMISSION
[Signature]
(Name)

I hereby certify that the information given above is true and complete to the best of my knowledge.

Original signed by
Name: B. Nevill
Position: Division Exploitation Engineer
Representing: Shell Oil Company
Address: Box 1957, Hobbs, New Mexico

(Date)

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION

MISCELLANEOUS REPORTS ON WELLS

Submit this report in TRIPLICATE to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON RESULT OF TEST OF CASING SHUT-OFF	<input checked="" type="checkbox"/>	REPORT ON REPAIRING WELL	
REPORT ON RESULT OF PLUGGING WELL		REPORT ON RECOMPLETION OPERATION		REPORT ON (Other)	

June 21, 1954
(Date)

Hobbs, New Mexico
(Place)

Following is a report on the work done and the results obtained under the heading noted above at the

Shell Oil Company
(Company or Operator)

State "L"
(Lease)

Velma Petroleum Company
(Contractor)

Well No. 3 in the SW 1/4 SE 1/4 of Sec. 1

T. 21-S, R. 35-E, NMPM, Eunice Pool, Lea County.

The Dates of this work were as follows: June 16, 1954

Notice of intention to do the work ~~was~~ (was not) submitted on Form C-102 on _____, 19____, and approval of the proposed plan ~~was~~ (was not) obtained.
(Cross out incorrect words)

DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Ran 3788' of 5 1/2" casing and cemented at 3799' with 650 sacks 48 gal and 100 sacks neat cement. Did not circulate cement. After WOC 48 hours tested casing with 1500 psi for 30 minutes. Test OK.

Witnessed by F. W. Stewart
(Name)

Shell Oil Company
(Company)

Drilling Foreman
(Title)

Approved: OIL CONSERVATION COMMISSION

F. J. Stanley
(Name)

I hereby certify that the information given above is true and complete to the best of my knowledge.

Original signed by
F. D. Leigh

Name: F. D. Leigh

Position: Division Mechanical Engineer

Representing: Shell Oil Company

Address: Box 1957, Hobbs, New Mexico

(Title)

(Date)

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

HOBBS DISTRICT OFFICE OCC
1954 JUN 2 10:03

MISCELLANEOUS REPORTS ON WELLS

Submit this report in TRIPPLICATE to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS	<input checked="" type="checkbox"/>	REPORT ON RESULT OF TEST OF CASING SHUT-OFF	<input type="checkbox"/>	REPORT ON REPAIRING WELL	<input type="checkbox"/>
REPORT ON RESULT OF PLUGGING WELL	<input type="checkbox"/>	REPORT ON RECOMPLETION OPERATION	<input type="checkbox"/>	REPORT ON (Other)	<input type="checkbox"/>

June 1, 1954

(Date)

Hobbs, New Mexico

(Place)

Following is a report on the work done and the results obtained under the heading noted above at the

Shell Oil Company

(Company or Operator)

State "L"

(Lease)

Velma Petroleum Company

(Contractor)

Well No. 3 in the SW 1/4 SE 1/4 of Sec. 1

T. 21-S, R. 35-E, NMPM, Eunice Pool, Lea County.

The Dates of this work were as follows: May 31, 1954

Notice of intention to do the work (was ~~checked~~) submitted on Form C-101 on May 19, 1954

and approval of the proposed plan (was ~~checked~~) obtained.

DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Spudded May 31, 1954 at 5:00 P.M.

Witnessed by R. E. Flournoy
(Name)

Shell Oil Company
(Company)

Drilling Foreman
(Title)

Approved: OIL CONSERVATION COMMISSION

S. J. Stansky
(Name)

(Title)

(Date)

I hereby certify that the information given above is true and complete to the best of my knowledge.

Name: F. D. Leigh Original signed by F. D. Leigh

Position: Division Mechanical Engineer

Representing: Shell Oil Company

Address: Box 1957, Hobbs, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

HOBBS OFFICE 000

MISCELLANEOUS REPORTS ON WELLS

1954 JUN 3 AM 9:28

Submit this report in TRIPLICATE to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON RESULT OF TEST OF CASING SHUT-OFF	X	REPORT ON REPAIRING WELL	
REPORT ON RESULT OF PLUGGING WELL		REPORT ON RECOMPLETION OPERATION		REPORT ON (Other)	

June 2, 1954 (Date)

Hobbs, New Mexico (Place)

Following is a report on the work done and the results obtained under the heading noted above at the

Shell Oil Company

(Company or Operator)

State "N.M."

(Lease)

Velma Petroleum Company

(Contractor)

Well No. 3 in the SW 1/4 Sec. 1

T. 21-S, R. 35-E, NMPM, Eunice Pool, Lea County.

The Dates of this work were as follows: June 1, 1954

Notice of intention to do the work (was not) submitted on Form C-102 on, 19, (Cross out incorrect words)

and approval of the proposed plan (was not) obtained.

DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Ran 344 feet of 8 5/8" casing and cemented at 354 feet with 200 sacks neat cement. Circulated approximately 20 sacks cement. After WOC 24 hours tested casing with 1500 psi for 30 minutes. Test OK.

Witnessed by R. B. Flournoy (Name)

Shell Oil Company (Company)

Drilling Foreman (Title)

Approved: OIL CONSERVATION COMMISSION

S. G. Stanley (Name)

(Title)

(Date)

I hereby certify that the information given above is true and complete to the best of my knowledge.

Original signed by

Name F. D. Leigh F. D. Leigh

Position Division Mechanical Engineer

Representing Shell Oil Company

Address Box 1957, Hobbs, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

NOTICE OF INTENTION TO DRILL OR RECOMPLETE

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.

Hobbs, New Mexico
(Place)

May 19, 1954
(Date)

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Gentlemen:

You are hereby notified that it is our intention to commence the (Drilling) (Recompletion) of a well to be known as

Shell Oil Company
(Company or Operator)

State L
(Lease)

Well No. 3

ll
(Unit)

located 1980 feet from the south line and 660 feet from the

south

east

line and 660

feet from the

line of Section 1, T. 21S, R. 35E, NMPM.

(GIVE LOCATION FROM SECTION LINE)

Junico

Pool,

Lea

County

11-35-E

If State Land the Oil and Gas Lease is No. B-1400

If patented land the owner is

Address

We propose to drill well with drilling equipment as follows:

Conventional Rotary Rig

The status of plugging bond is

Blanket Bond

Drilling Contractor Valma Petroleum Corp.

Hobbs, New Mexico

We intend to complete this well in the Seven Rivers

formation at an approximate depth of 3905 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	Sacks Cement
11"	8 5/8"	32#	New	300	200
7 7/8"	5 1/2"	15.5#	New	3750	800

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.)

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

OIL CONSERVATION COMMISSION

By: J. Stanley
Title:

Sincerely yours,

Shell Oil Company

(Company or Operator)

By: B. Nevill Original signed by B. Nevill

Position: Division Exploitation Engineer

Send Communications regarding well to

Name: Shell Oil Company

Address: Box 1957, Hobbs, New Mexico

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

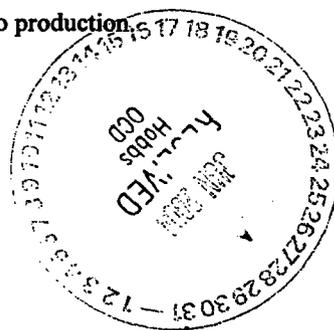
WELL API NO. 30-025-03391
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B- 1400

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" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		7. Lease Name or Unit Agreement Name: State L
2. Name of Operator Citation Oil & Gas Corp.	8. Well No. 3	
3. Address of Operator P O Box 690688 Houston, Texas 77269	9. Pool name or Wildcat Eumont	
4. Well Location Unit Letter W: 660feet from the South line and 1980feet from the East line Section 1 Township 21S Range 35E NMPM County Lea		
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3606' DF		

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data			
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: Open additional perfs and frac. <input checked="" type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Citation Oil & Gas Corp. request permission to fracture treat the above named well and return it to production.



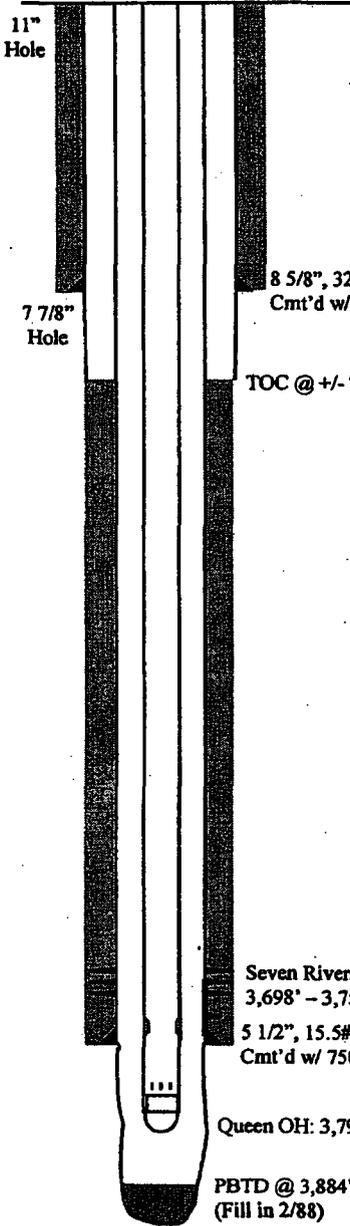
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bridget Alexander TITLE Regulatory Assistant DATE _____
 Type or print name Bridget Alexander Telephone No. 281-517-7309

(This space for State use)
 APPROVED BY Gary W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE JUN 30 2004
 Conditions of approval, if any:

CITATION OIL AND GAS CORPORATION CURRENT WELLBORE DIAGRAM AND INFORMATION

Well Name: State L #3 **Field:** Eumont
Date: March 9, 2004 **Location:** 660' FSL & 1980' FEL, Sec 1
County: Lea **State:** New Mexico



No Unit

Surface: 660' FSL & 1980' FEL
 Sec 1, T21S-R35E
 Lea County, NM
Completed: June 1954
Elevation: 3585' (DP)
KB: 13'

CASING DETAIL			
Size	Weight	Grade	Depth
8 5/8"	32	H-40	Surf - 354
5 1/2"	15.5	J-55	Surf - 3799

TUBING DETAIL			
Qty	Description	Length	Depth
—	KB	13	13
128	Jts 2 3/8", 4.7#, J-55 tbg	3774	3787
1	Jt 2 3/8", 4.7#, J-55 IPC tbg	31	3818
1	2 3/8" SN	1	3819
1	2 3/8" Perf Sub	4	3823
1	Jt 2 3/8" BPMA	29	3852

ROD DETAIL			
Qty	Size	Type	Length
4	3/4"	KD Subs	24
151	3/4"	KD	3,775
1	3/4"	KD Sub	2
Polish Rod: None			
Pump: 2" x 1 1/2" x 12'			

TD @ 3,908'

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-03391
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B- 1400

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" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

7. Lease Name or Unit Agreement Name:
 State L

2. Name of Operator
 Citation Oil & Gas Corp.

8. Well No. 3

3. Address of Operator
 P O Box 690688 Houston, Texas 77269

9. Pool name or Wildcat
 Eumont

4. Well Location

 Unit Letter W: 660feet from the South line and 1980feet from the East line

 Section 1 Township 21S Range 35E NMPM County Lea

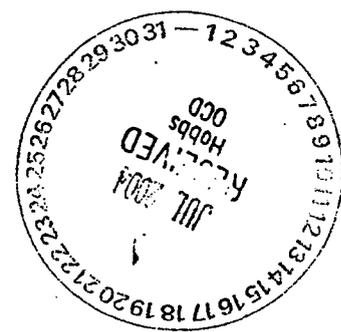
10. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3606' DF

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Open additional perfs and frac. <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Citation Oil & Gas Corp. request permission to open additional perforations, fracture treat the above named well and return it to production with the attached procedure.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bridget Alexander TITLE Regulatory Assistant DATE 7/15/04
 Type or print name Bridget Alexander Telephone No. 281-517-7309

(This space for State use)
 APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE JUL 22 2004
 Conditions of approval, if any:

WORKOVER PROCEDURE

PROJECT: State L #3 – OAP and Frac

DRILLED & COMPLETED: 6/54 LAST WO: 2/76 – OAP and Acidize

LOCATION: 660' FSL & 1980' FEL Section 1-21S-35E

FIELD: Eumont COUNTY: Lea STATE: NM

TD: 3,908' PBSD: 3,884' DATUM: 3572' GL KB: 13'

CASING AND LINER RECORD

SIZE	WEIGHT	DEPTH	CEMENT	HOLE	TOC	REMARKS
8 5/8"	32#	354'	250 sx	11"	Surf	Circ???
5 1/2"	15.5#	3799'	750 sx	7 7/8"	700' (Est)	Calc w/ 75% XS

Producing Formation: Well SI'd. Seven Rivers (3698' – 3752') and Queen OH (3799' – 3908')

Rods: (4) 3/4" KD Rod Subs (6', 6', 4', 8'), (151) 3/4" KD Rods, (1) 3/4" KD Rod Sub (2'), 2" x 1 1/2" x 12' Pump

Tubing: (128) Jts 2 3/8" 4.7# J-55 Tbg, (1) Jt 2 3/8" 4.7# J-55 IPC Tbg, 2 3/8" SN, 2 3/8" Perf Sub and 2 3/8" BPMA

Note: Well SI'd w/ rods and tbg in well. 4 3/4" OH f/ 3799' – 3908'

PROCEDURE

- Notify NMOCD of planned work.
 - Use 2% KCl water for all water placed in wellbore.
 - Dig working pit w/ bank for circulating w/ air unit.
 - Locate and rack 3800' 2 3/8" 4.7# J-55 eue 8rd production tbg.
 - Locate and rack 3800' 2 7/8" 6.5# N-80 WS.
 - Locate and rack 3600' 3 1/2" 9.3# N-80 WS.
 - Move in American 160D from State M #3. Sheave for 7 SPM in 54" SL. Install 10 HP motor.
1. MIRU PU. POH w/ rods. (NOTE: Inspect rods and lay down as needed.) Kill tbg and csg w/ 2% KCL water if necessary.
 2. ND WH. NU BOP. POH w/ 2 3/8" tbg. Lay down all tbg.
 3. RIH w/ 4 3/4" MT skirted bit and 2 7/8" SN on 2 7/8" 6.5# N-80 WS to 3799' (Top of OH). Tally in hole. POH w/bit.
 4. RU WL. RIH and set CIBP at +/- 3680'. POH w/ WL.
 5. Load hole w/ 2% KCl and PT to 500#. (NOTE: If csg does not test, RIH w/ pkr to isolate leak.)
 6. RIH w/ GR/CCL/CBL logging tools. Run GR/CCL/CBL f/ PBSD to TOC or minimum run. POH w/ logging tools. Evaluate log for cmt top. RD WL.

7. RU WL w/ full lubricator. RIH w/ 3 1/8" csg gun. Correlate to Schlumberger Gamma Ray Neutron log dated 6/15/54. Perf Yates / Seven Rivers w/ 1 JSPF (0.38") as follows:

Perf Interval	Shots	Formation
3353' - 3414'	62	Yates
3438' - 3446'	9	Yates
3460' - 3466'	7	Seven Rivers
3484' - 3490'	7	Seven Rivers
3532' - 3550'	19	Seven Rivers
3560' - 3586'	27	Seven Rivers
Totals	131	

Total of 131 holes f/ (3353' – 3586'). POH w/ csg guns.

8. RIH and dump bail 2 sx cmt on CIBP @ +/- 3680' (10' cmt / sack). RD WL.
9. RU hydrotesters. RIH w/ 5 1/2" Arrowset 1X Frac Pkr w/ Dual Direction flapper valves, P-110 Inner Flow Tube (2.0"ID) and T-2 On/Off tool, 2 7/8" SN and 6' x 3 1/2" N-80 tbg sub on 3 1/2" 9.3# N-80 WS. Test tbg to 7000 psi AS (69% of new rating). Set pkr @ +/- 3600'. Test CIBP to 3000 psi. Release Pkr and PUH to +/- 3586' (btm perf).
10. RU acid/frac company. Spot 250 gal 15% AS HCl acid across perfs. PUH w/ pkr to 3325' and reverse 5 bbls. Set pkr @ +/-3325'. Load csg w/ 2% KCl. Hold 500 psi on csg w/ pop off set at +/- 750 psi. Monitor csg throughout acid and frac job.
11. Acidize Yates/ Seven Rivers (3353' – 3586') w/ 3300 gal 15% AS HCL acid at +/- 10-15 BPM (No Diverter). Frac Yates / Seven Rivers (3353' – 3586') as per service company recommendation using CO₂. Tag w/ IR-192 @ 0.5MC/1M# sand (74 day half-life). Record rates, max and min pressures and SIP's. (NOTE: Max pressure = 5500 psi. All sand tagged w/ IR-192.)
12. Rise On-Off Tool and sting out of Pkr. Check for backflow. PUH to 3300' (btm 2nd stage perf). Spot 300 gal double inhibited 15% AS HCl acid across 2nd stage interval (3052' – 3300'). POH w/ Inner Flow Tube and On-Off tool.
13. RU WL w/ full lubricator. Pressure csg to 500 psi w/ 2% KCl. RIH w/ 3 1/8" csg gun. Correlate to Schlumberger Gamma Ray Neutron log dated 6/15/54. Perf Yates w/ 1 JSPF (0.38") as follows:

Perf Interval	Shots	Formation
3052' - 3076'	25	Yates
3084' - 3114'	31	Yates
3134' - 3154'	21	Yates
3176' - 3182'	7	Yates
3218' - 3223'	6	Yates
3227' - 3234'	8	Yates
3257' - 3267'	11	Yates
3277' - 3300'	24	Yates
Totals	133	

Total of 133 holes f/ (3052' – 3300'). POH w/ csg guns.

14. RIH w/ 5 1/2" RTTS Pkr, 2 7/8" SN AND X-Over on 3 1/2" WS to +/- 3300'. Spot 275 gal 15% AS HCl acid across perfs. PUH w/ pkr to 3000' and reverse 5 bbls. Set pkr @ +/-3300'.
15. Load csg w/ 2% KCl. Hold 500 psi on csg w/ pop off set at +/- 750 psi. Monitor csg throughout acid and frac job.
16. Acidize Yates (3052' – 3300') w/ 3300 gal 15% AS HCL acid at +/- 10-15 BPM (No Diverter). Frac Yates (3052' – 3300') as per service company recommendation using CO₂. Tag w/ SC-46 @

0.5MC/1M# sand (84 day half-life). Record rates, max and min pressures and SIP's. (NOTE: Max pressure = 5500 psi. All sand tagged w/SC-46.)

17. Flow back well to TT as per service company recommendation.
18. RU SL. Set SL Tbg plug in 2 7/8" SN. Load and test 3 1/2" tbg w/ 2% KCL. Perf 3 1/2" tbg sub above SN. RD SL. RU and swab back load from annulus. RD swab. (NOTE: Perforate w/ SL Tbg punch.)
19. Rlse Pkr. POH w/ 3 1/2" WS. LD Pkr and 3 1/2" WS.
20. RIH w/ 2 7/8" frac Pkr retrieving head and 2 7/8" SN on 2 7/8" WS to frac Pkr. RU foam air unit and clean out sand to Pkr. RD foam air unit. Latch onto Pkr and release. POH w/ frac Pkr and 2 7/8" WS.
21. TIH w/ 4 3/4" MT skirted bit and 2 7/8" SN on 2 7/8" WS. Tag for fill. RU foam air unit and clean out frac sand to PBTD. CHC. RD foam air unit. POH w/ bit and LD 2 7/8" WS.
22. RU WL w/ Lubricator. Run After Frac Spectra (dual isotope) GR Log f/ 2,700' - PBTD. POH and RD WL.
23. Run 2 3/8" 4.7# J-55 eue 8rd production tbg string as follows: (NOTE: Tally in Hole. Set TAC w/ 10K Tension or 7" stretch. Will need to pick up all tubing.)

QTY	ITEM	LENGTH	DEPTH
TUBING	KB	13'	13'
113	Jts 2 3/8" 4.7# J-55 eue 8rd tbg	3505'	3518'
1	Jt 2 3/8" 4.7# J-55 eue 8rd IPC tbg	31'	3549'
1	2 3/8" SN	1'	3550'
1	2 3/8"x 4' TBG Sub	4'	3554'
1	Cavins D2301G Desander	20'	3574'
2	2 Jts 2 3/8" BPMA	62'	3636'

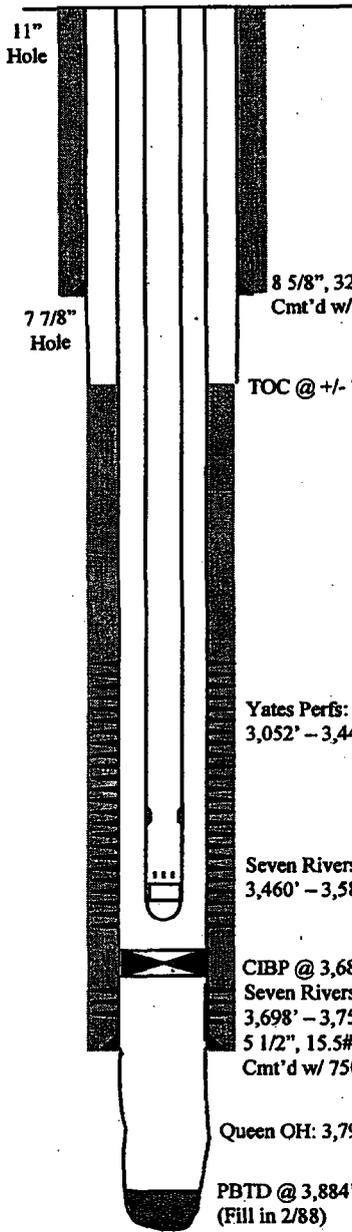
24. RU Swab. Swab well until clean fluid is produced. RD Swab.
25. Run rod string as follows:

RODS		
1	1 1/4" x 16' PR w/ 1 1/2" x 10' Liner	16'
Set	3/4" KD Rod Subs w/ SM couplings	10' (+/-)
141	3/4" KD Rods w/ SM couplings	3525'
1	3/4" KD Rod Sub w/ SM couplings	2'
1	2" x 1 1/4" x 12' RHBC Pump	12'

26. Load tbg w 2% KCl and pressure test pump. Space out and hang well on. Place pumping unit in 54" SL at +/- 7 SPM (Expected production rate +/- 49 BFPD @ 85% efficiency and 1 1/4" pump).
27. RD MO PU. Return well to production and place on test.

CITATION OIL AND GAS CORPORATION PROPOSED WELLBORE DIAGRAM AND INFORMATION

Well Name: State L #3 Field: Eumont
 Date: March 9, 2004 Location: 660' FSL & 1980' FEL, Sec 1
 County: Lea State: New Mexico



American 160
w/ 10 HP motor

Surface: 660' FSL & 1980' FEL,
 Sec 1, T21S-R35E,
 Lea County, NM
 Completed: June 1954
 Elevation: 3585' (DE)
 KB: 13'

CASING DETAIL			
Size	Weight	Grade	Depth
8 5/8"	32	H-40	Surf - 354
5 1/2"	15.5	J-55	Surf - 3799

TUBING DETAIL			
Qty	Description	Length	Depth
—	KB	13	13
113	Jts 2 3/8", 4.7#, J-55 tbg	3505	3518
1	Jt 2 3/8", 4.7#, J-55 IPC tbg	31	3549
1	2 3/8" SN	1	3550
1	2 3/8" Tbg Sub	4	3554
1	Cavins D2301G Desander	20	3574
2	Jts 2 3/8" BPMA	62	3636

ROD DETAIL			
Qty	Size	Type	Length
1	3/4"	KD Subs	+/- 10
141	3/4"	KD	3,525
1	3/4"	KD Sub	2
Polish Rod: 1 1/4" x 16' w/ 1 1/2" x 10' Liner			
Pump: 2" x 1 1/4" x 12'			

8 5/8", 32#, H-40 Csg @ 354'
 Cmt'd w/ 250 sx (circ??)

TOC @ +/- 700' (75% XS)

Yates Perfs:
 3,052' - 3,446' (204 holes)

Seven Rivers Perfs:
 3,460' - 3,586' (60 holes)

CIBP @ 3,680' w/ 20' cmt cap
 Seven Rivers Perfs:
 3,698' - 3,752' (12 holes)
 5 1/2", 15.5#, J-55 Csg @ 3,799'
 Cmt'd w/ 750 sx.

Queen OH: 3,799' - 3,908'

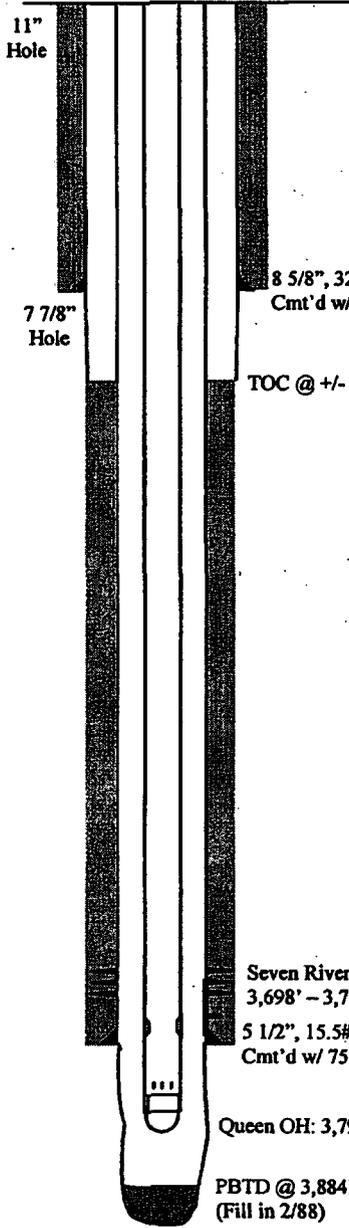
PBTD @ 3,884'
 (Fill in 2/88)

TD @ 3,908'

CITATION OIL AND GAS CORPORATION

CURRENT WELLBORE DIAGRAM AND INFORMATION

Well Name: State L #3 **Field:** Eumont
Date: March 9, 2004 **Location:** 660' FSL & 1980' FEL, Sec 1
County: Lea **State:** New Mexico



No Unit

Surface: 660' FSL & 1980' FEL,
 Sec 1, T218-R35E,
 Lea County, NM
Completed: June 1954
Elevation: 3585' (DK)
KB: 13'

CASING DETAIL			
Size	Weight	Grade	Depth
8 5/8"	32	H-40	Surf - 354
5 1/2"	15.5	J-55	Surf - 3799

TUBING DETAIL			
Qty	Description	Length	Depth
—	KB	13	13
128	Jts 2 3/8", 4.7#, J-55 tbg	3774	3787
1	Jt 2 3/8", 4.7#, J-55 IPC tbg	31	3818
1	2 3/8" SN	1	3819
1	2 3/8" Perf Sub	4	3823
1	Jt 2 3/8" BPMA	29	3852

ROD DETAIL			
Qty	Size	Type	Length
4	3/4"	KD Subs	24
151	3/4"	KD	3,775
1	3/4"	KD Sub	2
Polish Rod: None			
Pump: 2" x 1 1/2" x 12'			

8 5/8", 32#, H-40 Csg @ 354'
Cmt'd w/ 250 sx (circ??)

TOC @ +/- 700' (75% XS)

Seven Rivers Perfs:
3,698' - 3,752' (12 holes)

5 1/2", 15.5#, J-55 Csg @ 3,799'
Cmt'd w/ 750 sx.

Queen OH: 3,799' - 3,908'

PBTD @ 3,884'
(Fill in 2/88)

TD @ 3,908'

New Mexico
OIL CONSERVATION COMMISSION



P. O. BOX 871
SANTA FE, NEW MEXICO

December 30, 1953

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER E. S. WALKER
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND DIRECTOR

~~W.E.S.~~
~~F.R.W.~~
B.N.M.
EWN
K.W.K.

Mr. L. E. Slagle
Shell Oil Company
Box 1957
Hobbs, New Mexico

File

Eumont

Subject: Unorthodox Location - Shell Oil
Company's (State L-2 SE/4 Section
1, Township 21 South, Range 35 East
Eumont Gas Pool.

Dear Sir:

Reference is made to your letter of December 10, 1953 per-
taining to approval of an unorthodox location for the above captioned
well.

Pursuant to authority granted me by the provisions of Order
No. R-370-A, Rule 4, permission is hereby granted to produce this
well in compliance with pool rules.

Very truly yours,

R. R. Spurrer
R. R. SPURRIER
Secretary and Director

RRS:vc

- cc: (1) Well File
(1) Unorthodox File
(2) OCC, Hobbs
(1) Gulf Oil Corp., Hobbs
(1) The Atlantic Refining Co., Midland