

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]

- [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	Title	Date
e-mail Address			



October 15, 2004

2004 OCT 18 AM 11 29

Friday 10/15/04  
David Byers left  
me two messages  
concerning this  
well.  
(9:20am + 1:11pm)  
M. Stogner  
713-  
427-8825

Mr. Michael Stogner  
New Mexico OCD  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Re: NSL Permit Application  
Henshaw 7 Fed #1  
Eddy County, New Mexico

Dear Sir:

Edge drilled the Henshaw 7 Federal #1 well to a TD of 10,960'. We tested the Lower Morrow, Middle Morrow and the Atoka with no results. We then perforated the Cisco Canyon at 8478' - 8482' and 8485' - 8488' and the well produced 15 BOPD, 0 MCF, 152 BWPD on pump. We are applying for a NSL permit for un-orthodox location. There are no offset operators and our lease covers all of sections 6, 7, 18, and 19 in T16S, R30E. I have enclosed five copies of the revised C-102. If there is any additional information you require, please let us know.

We appreciate your assistance in this matter.

Sincerely,

EDGE PETROLEUM OPERATING CO. INC

James D. Keisling  
Vice President Production

JDK/cw  
Enclosure

2) Will submit Upper Perm.  
3) all of Sects 6, 7, 18 and 19  
are all comm. Will submit to  
(w/o) in the  
mail today.

talked w/ David Byers  
@ 1:40 PM  
Oct. 19<sup>th</sup>  
1) well was  
drilled  
this year

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

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0710

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number <b>30-015-32676</b>	Pool Code	Pool Name <b>Wildcat</b>
Property Code	Property Name <b>HENSHAW "7" FED. COM.</b>	Well Number <b>1</b>
OGRID No. <b>224400</b>	Operator Name <b>Edge Petroleum Oper. Co., Inc.</b>	Elevation <b>3758'</b>

Surface Location

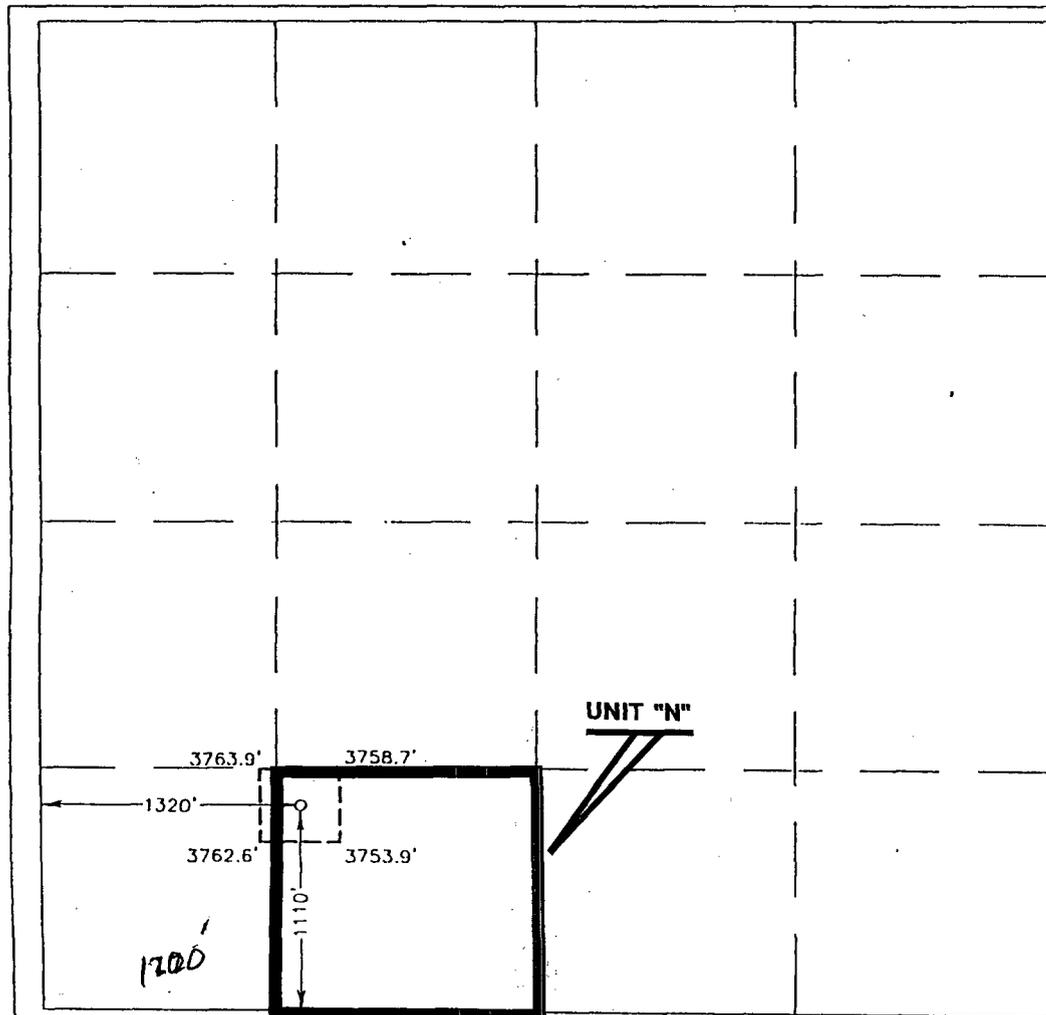
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	7	16-S	30-E		1110	SOUTH	1320	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Unit "N"	7	16-S	30-E		1110	South	1320	West	Eddy

Dedicated Acres <b>40</b>	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

*Randell K. Ford*  
Signature

Randell K. Ford  
Printed Name  
President  
Title

January 29, 2003  
Date

SURVEYOR CERTIFICATION

Reference orig. plat.

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

JANUARY 24, 2003

Date Surveyed  
Signature & Seal of Professional Surveyor

*Ronald J. Eidson*  
03.17.0124

Certificate No. RONALD J. EIDSON 3230  
GARY EIDSON 12641

Exhibit E  
Surface Use & Operations Plan

Location has been moved 100' S. per BLM archeologist request since original NOS submitted.

DISTRICT I  
P.O. Box 1080, Hobbs, NM 88241-1080

State of New Mexico

Form C-102

Energy, Minerals and Natural Resources Department

Revised February 10, 1994

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

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1000 Rio Hrazos Rd., Aztec, NM 87410

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

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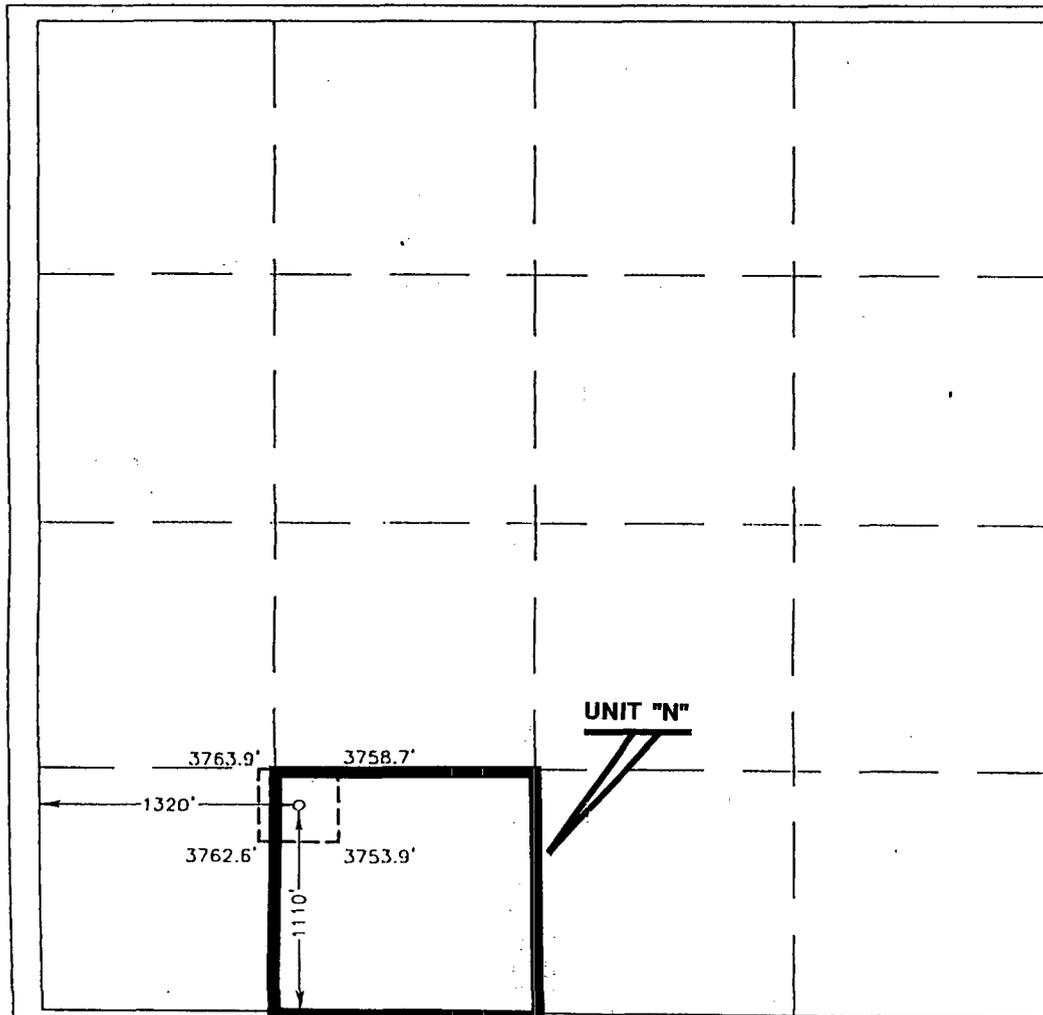
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Dedicated Acres <b>40</b>	Joint or Infill	Consolidation Code	Order No.						

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Date Surveyed L.A.

Signature & Seal of Professional Surveyor

*Ronald J. Eidson* 1/24/03  
03.11.0124

Certificate No. RONALD J. EIDSON 3290 12841  
GARY EIDSON

Exhibit E  
Surface Use & Operations Plan

Location has been moved 100' S. per BLM archeologist request since original NOS submitted.

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1080

State of New Mexico

Form C-102

Energy, Minerals and Natural Resources Department

Revised February 10, 1994

DISTRICT II  
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OIL CONSERVATION DIVISION

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State Lease - 4 Copies  
Fee Lease - 3 Copies

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1000 Rio Brazos Rd., Aztec, NM 87410

Santa Fe, New Mexico 87504-2088

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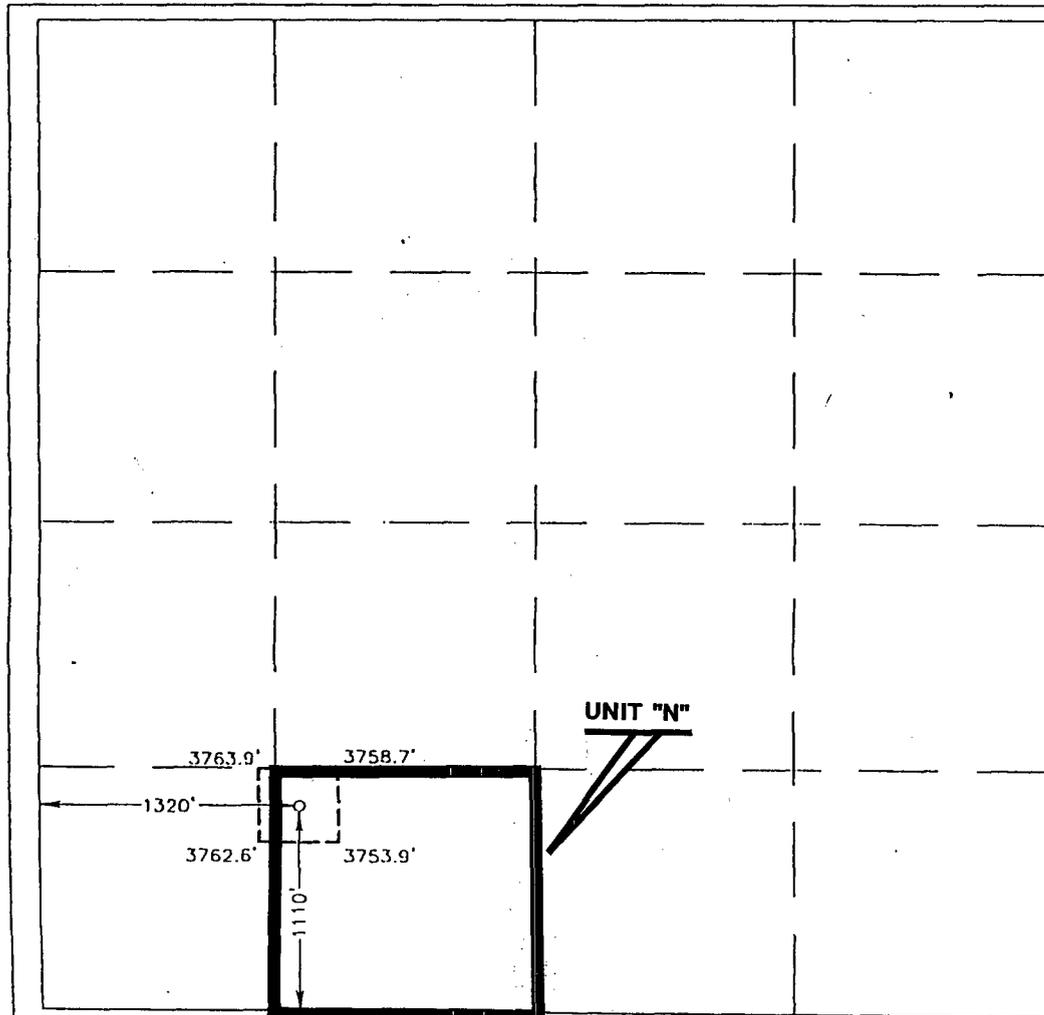
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GARY EIDSON 12841

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DISTRICT I  
P.O. Box 1880, Hobbs, NM 88241-1880

State of New Mexico

Form C-102

Energy, Minerals and Natural Resources Department

Revised-February-10,-1994

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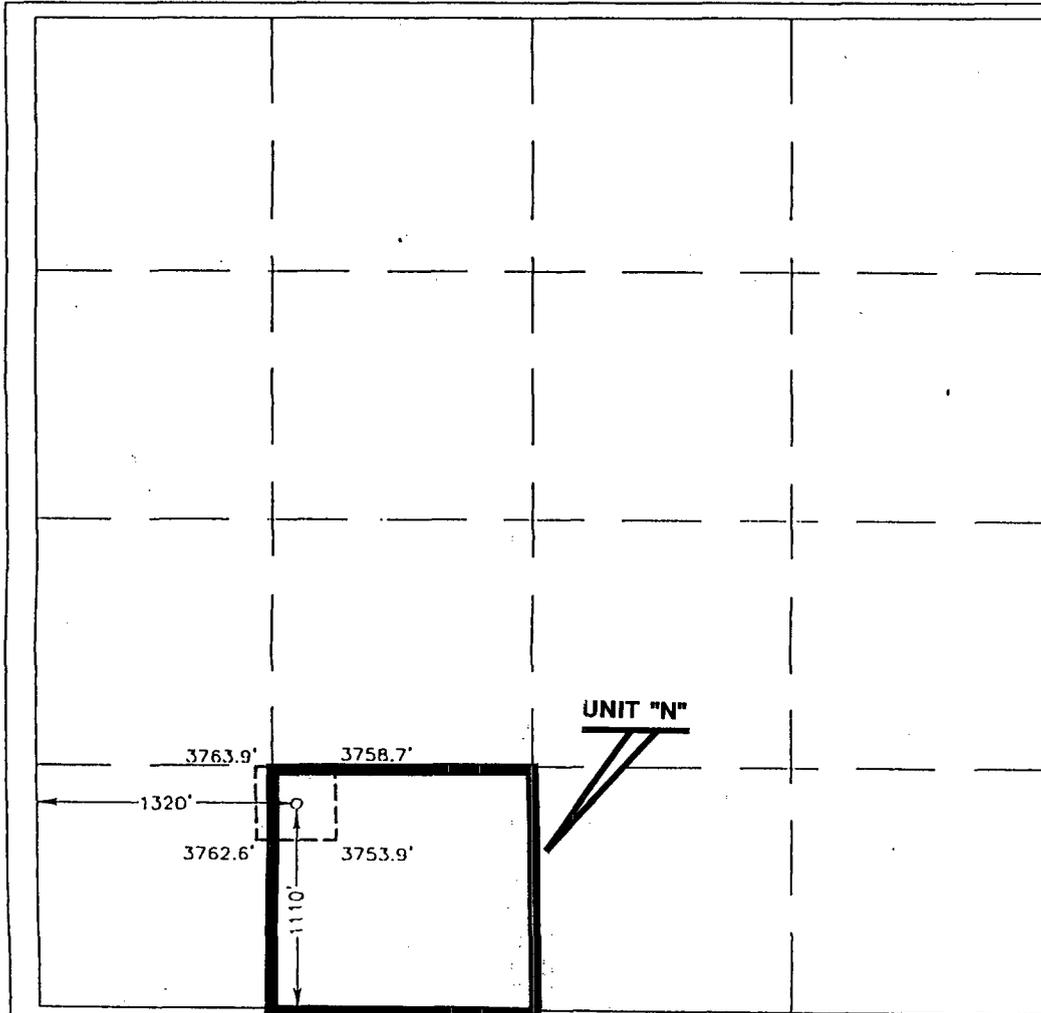
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State of New Mexico

Form C-102

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Revised February 10, 1994

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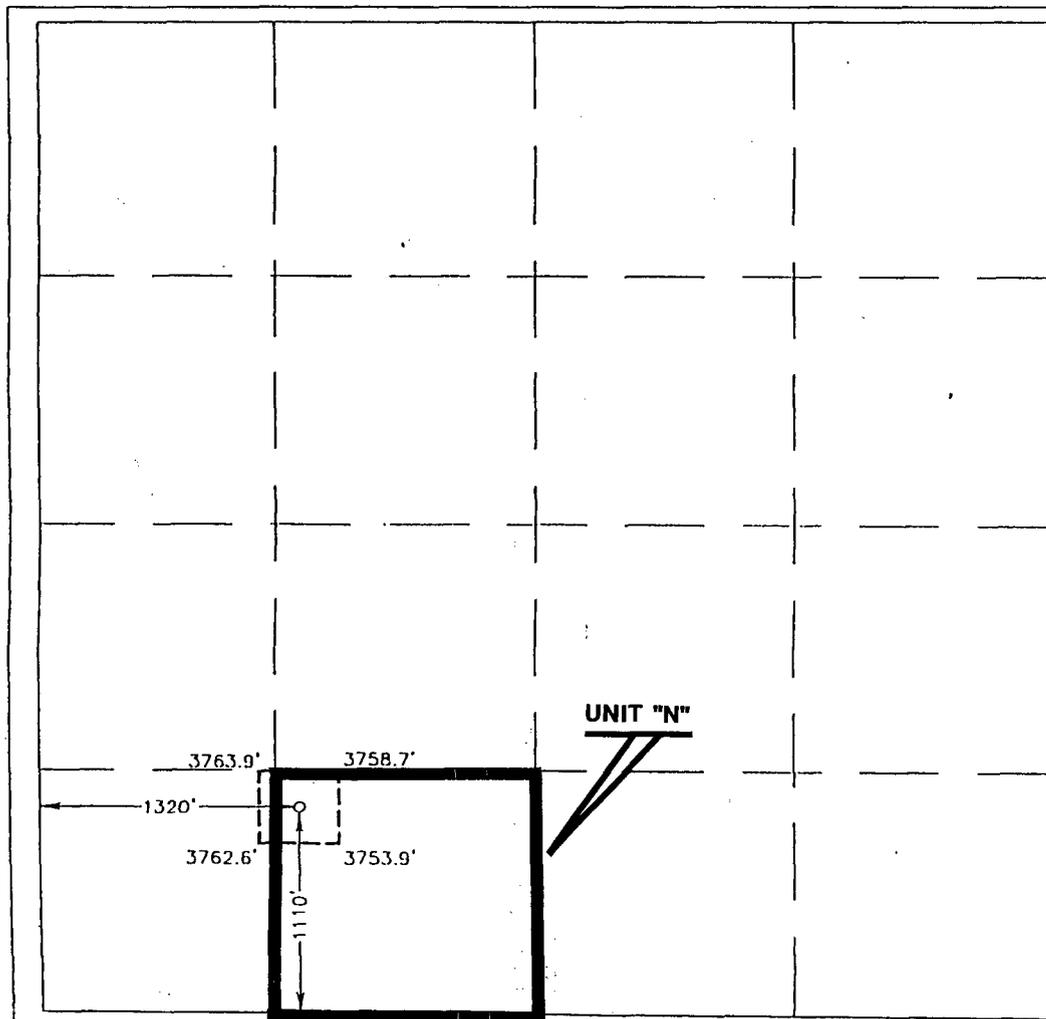
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January 29, 2003  
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Certificate No. RONALD J. EIDSON 3239 12841  
GARY EIDSON

Exhibit E  
Surface Use & Operations Plan

Location has been moved 100' S. per BLM archeologist request since original NOS submitted.

## Stogner, Michael

---

**From:** Arrant, Bryan  
**Sent:** Friday, October 15, 2004 8:20 AM  
**To:** 'dbyears@edgepet.com'  
**Cc:** Gum, Tim; Stogner, Michael  
**Subject:** 30-015-32676 Shut-in Order



Letterhead5.doc

↙



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

Oil Conservation Division

October 15, 2004

Edge Petroleum Operating Company, Inc.

1301 Travis, Suite 2000

Houston, TX 77002

Attn: David Byers To Whom It May Concern

**RE: Shut in Order for Edge Petroleum Operating Company, Inc.: Henshaw '7'  
Federal #1, located in Unit N of Section 7, (1320' FWL & 1110' FSL)  
Township 16 South, Range 30 East, Eddy County, New Mexico. API # 30-015-32676**

Dear Mr. Byers or To Whom It May Concern,

In regards to the above referenced well, the New Mexico Oil Conservation Division (NMOCD) has received in part regulatory information of a recent well completion. According to reports received, attempts to complete in the Morrow and Atoka formation for a gas well were unsuccessful in June of this year. Further information shows completion attempts were successful in what appears to be the Cisco/Canyon formation of the Pennsylvanian System in the 1<sup>st</sup> part of August of this year. This well is considered to be non-standard for an oil well per NMOCD Rule 104. B (1), therefore said well is to be shut in immediately until a non-standard well location approval, either administratively or by hearing, from our Santa Fe office is issued. For more information regarding unorthodox/non-standard well locations, please refer to NMOCD Rule 104.F for more information.

In addition, our office has not received the following regulatory documents necessary for additional approval for said well to produce:

- NMOCD Form C-102: An amended well location and acreage dedication plat showing @ 40 acre dedication.
- Complete set of ALL electric logs ran.
- NMOCD Form C-104

For your convenience and information, I have included the NMOCD rules that I am aware that this well is in violation of.

Please call our office if you have any questions regarding this matter.

Yours truly,

Bryan G. Arrant

PES

CC: Tim Gum, District Supervisor-Artesia

Michael Stogner, Chief Hearing Examiner-Santa Fe

(cont. pg 2)

19.15.3.104 WELL SPACING  
AND LOCATION:

**B. Oil Well Acreage And Well Location Requirements**

(1) Any wildcat well that is projected to be drilled as an oil well to a formation and in an area that in the opinion of the division may reasonably be presumed to be productive of oil rather than gas and each development well for a defined oil pool, unless otherwise provided in special pool orders, shall be located on a spacing unit consisting of approximately 40 contiguous surface acres substantially in the form of a square which is a legal subdivision of the U.S. Public Land Surveys, which is a governmental quarter-quarter section or lot, and shall be located no closer than 330 feet to any boundary of such unit. Only those 40-acre spacing units committed to active secondary recovery projects shall be permitted more than four wells.

**F. Unorthodox Locations**

(1) Well locations for producing wells and/or injection wells that are unorthodox based on the requirements of Subsection B above and are necessary for an efficient production and injection pattern within a secondary recovery, tertiary recovery, or pressure maintenance project are hereby authorized, provided that the unorthodox location within the project is no closer than the required minimum distance to the outer boundary of the lease or unitized area, and no closer than 10 feet to any quarter-quarter section line or subdivision inner boundary. These locations shall only require such prior approvals as are necessary for an unorthodox location.

(2) The Director may grant an exception to the well location requirements of Subsections B and C above or special pool orders after notice and opportunity for hearing when the exception is necessary to prevent waste or protect correlative rights.

(3) Applications for administrative approval pursuant to Subsection F, Paragraph (2) above shall be submitted to the division's Santa Fe Office accompanied by (a) a plat showing the spacing unit, the proposed unorthodox well location and the adjoining spacing units and wells; (b) a list of affected persons as defined in Rule 1207.A(2); and (c) information evidencing the need for the exception. Notice shall be given as required in Rule 1207.A(2).

(4) The applicant shall submit a statement attesting that applicant, on or before the date that the application was submitted to the division, sent notification to the affected persons by submitting a copy of the application, including a copy of the plat described in Subsection F, Paragraph (3) above, by certified mail, return receipt requested, advising them that if they have an objection it must be filed in writing within 20 days from the date the division receives the application. The Director may approve the unorthodox location upon receipt of waivers from all the affected persons or if no affected person has filed an objection within the 20-day period.

(5) The Director may set for hearing any application for administrative approval of an unorthodox location.

(6) Whenever an unorthodox location is approved, the division may order any action necessary to offset any advantage of the unorthodox location.

19.15.13.1102 WELL  
LOCATION AND ACREAGE DEDICATION  
PLAT (Form C-102):

**D. Amended form C-102 (in triplicate or quadruplicate) shall be filed in the event there is a change in any of the information previously submitted. The well location need not be certified when filing amended form C-102.**

[1-1-65...2-1-96; 19.15.13.1102 NMAC - Rn, 19 NMAC 15.M.1102, 06/30/04]

19.15.13.1104 REQUEST FOR  
ALLOWABLE AND AUTHORIZATION TO  
TRANSPORT OIL AND NATURAL GAS  
(Form C-104):

**A. Form C-104 completely filled out by the operator of the well must be filed in quintuplicate before an allowable will be assigned to any newly completed or recompleted well. (A recompleted well shall be considered one which has been deepened or plugged back to produce from a different pool than previously.) Form C-104 must be accompanied by a tabulation of all deviation tests taken on the well as provided by 19.15.3.111 NMAC.**

**C. No allowable will be assigned to any well until a standard unit for the pool in which the well is completed has been dedicated by the operator, or a non-standard unit has been approved by the division, or a standard unit has been communitized or pooled and dedicated to the well.**

**D. No allowable will be assigned to any well until all forms and reports due have been received by the division and the well is otherwise in full compliance with these rules.**

19.15.13.1105 WELL  
COMPLETION OR RECOMPLETION  
REPORT AND LOG (Form C-105):

A. Within 20 days following the completion or recompletion of any well, the operator shall file form C-105 with the division. It must be filed in quintuplicate and each copy accompanied by a summary of all special tests conducted on the well, including drill stem tests. In addition, one copy of all electrical and radio-activity logs run on the well must be filed with form C-105. If the form C-105 with attached log(s) and summaries is not received by the division within the specified 20-day period, the allowable for the well will be withheld until this rule has been complied with.