

11-15-05 | 12-5-05 | Stagner | 11-16-05 | TYPE NSL | APP NO. PSEM0532027765

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 [X] 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

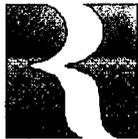
[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[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



RANGE OPERATING NEW MEXICO, INC.

777 Main St. - Suite 800
Ft. Worth, TX

November 14, 2005

76/02

State of New Mexico
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RECEIVED

NOV 15 2005

OIL CONSERVATION
DIVISION

Attn: Michael Stogner

Re: New Mexico M State #52 Unorthodox Location
Section 18-T22S-R37E
Lea County, NM

Michael,

Range requests administrative approval of an unorthodox location for the subject well located as follows:

1,420' FSL & 2,310' FEL
Unit J, Section 18-T22S-R37E

This request places the subject well 110' from the south boundary of Unit J (40-acre tract) in lieu of 330' from the boundary line as per field rules for the Drinkard pool (19190). The subject well will be drilled to a TD of 6,800' to test the Drinkard formation.

Range's New Mexico M State lease covers the SE/4 of Section 18 with common ownership in the 160 acres from the top of the San Andres to a depth of 6,730' from surface. As a result, the requested location which is 110' FSL does not encroach upon any outside parties.

Range originally targeted the location for the subject well to be 1,650' FSL & 2,310' FEL but was obstructed by the RICE buried pipe line (bpl). Two other alternate locations appeared to be acceptable but were not able to accommodate the drilling footprint after "NM One Call, Inc." confirmed nearby buried lines. All of the remaining area in the SW/4 and SE/4 of Unit J was not acceptable due to roads, above-ground electric lines, etc. The original and alternate locations which were condemned after "One Call" are diagrammed on the attached plat and are as follows:

Original locn: 1,650' FSL & 2,310' FEL
Alternate 1 locn: 1,650' FSL & 1,650' FEL
Alternate 2 locn: 1,800' FSL & 1,650' FEL

With minimal alternatives remaining, it was realized that the drilling footprint could be squeezed into the above unorthodox location being submitted for consideration.

Recoverable reserves from the Drinkard, Tubb and Blinebry formations will be maximized by drilling the subject well in the SW/4 or SE/4 of Unit J in Section 18. The New Mexico M State #49 well is located in the NW/4 of Unit J and has produced from the Tubb and Drinkard formations. Currently it is producing from the Blinebry formation. The New Mexico M State #51 has been recently drilled in the NW/4 of Unit I and is completed in the Tubb and Drinkard formations. The Arrowhead Grayburg Unit #232 well, operated by Chevron, located in the center of Unit J was P&A'd on 9/27/2002 as per the attached Form C-103. Range chose not to utilize the abandoned location of this well due to the close proximity to the above-mentioned #49 well.

In an effort to save costs, the alternative locations mentioned above were not surveyed and platted. Range utilized the GPS system to choose a desirable location and would then contact "NM One Call, Inc." to confirm all the buried lines in the area. Once our location was confirmed, we then contacted John West Surveyors to survey & plat the location.

If you have any further questions or would like to discuss this matter in more detail, please feel free to contact me at my office number below.

Sincerely,


Bryan Surles
District Engineer – Eunice area
Range Resources
Ofc # (817) 810-1971
bsurles@rangeresources.com

- 10:52 AM 12-8-05
Paula Hale left a voice message for me to call her @ 817-810-1916
M. Stover

- 10:10 AM 12-12-2005
called for Bryan Surles @ 817-810-1971 left a message for him to call me
M. Stover

- 2:10 PM 12-20-05
Bryan Surles @ 817-810-1971 left me another voice mail message that he would be out of the office until am. next day.
M. Stover

- 9:44 am 12-19-2005
Bryan Surles @ 817-810-1971 left a voice mail message
M. Stover

- 1:40 pm 12-19-2005
I returned Mr. Surles call; not in; left a message
M. Stover

- 12:30 AM 12-21-05
Paula Hale w/ Range @ 817-810-1916 left me a voice mail message.
M. Stover

- 1:20 PM 12-23-05
Tried calling Bryan @ ~~817-810-1971~~ 817-810-1971; not in; left message.
M. Stover

- 12:36 PM 12-29-05
Brian Surles returned my call and left a voice mail message.
M. Stover

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, 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 Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name NEW MEXICO "M" STATE	Well Number 52
OGRID No.	Operator Name RANGE OPERATING NEW MEXICO, INC.	Elevation 3416'

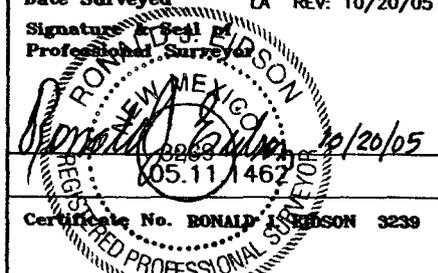
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	18	22-S	37-E		1420	SOUTH	2310	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		Joint or Infill	Consolidation Code		Order No.				

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

LOT 1						<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>Date _____</p> <hr/> <p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p style="text-align: center;">OCTOBER 11, 2005</p> <p>Date Surveyed _____ LA REV: 10/20/05</p> <p>Signature & Seal of Professional Surveyor _____</p> <p style="text-align: center;">  </p> <p>Certificate No. RONALD J. GIBSON 3239</p>
37.00 AC						
LOT 2						
36.99 AC						
LOT 3						
	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=506855.9 N X=849647.6 E</p> <p>LAT.=32°23'18.14" N LONG.=103°12'02.34" W</p>					
36.99 AC				2310'		
LOT 4						
36.98 AC				1420'		

ERGY INCORPORATED
ARROWHEAD (GRAYBURG)

● 228
31246
3,795

18

XTO ENERGY INCORPORATED
ARROWHEAD (GRAYBURG)

∅ 229
31740
3,815

Surf to 6730

AMERADA HESS CORPORATION
STATE P 7A'

● 433
15878
6,763

AMERADA HESS CORPORATION
STATE PA

● 1
10342
3,724

RANGE OPERATING NEW MEXICO STATE M

● 40
26015
6,730
● 232
10352
3,715

RANGE OPERATING NM
NEW MEXICO M STATE

● 51
37355
6,850

XTO ENERGY INCORPORATED
STATE M

● 231
10355
3,695

ADOBE ST

RICE OPERATING COMPANY
BLINBRY-DRINARD SYT

△ 18
25616
4,998

RANGE OP
NEW MEXICO STATE M
● 52
6,730

Surf to 6730

APACHE CORPORATION
STATE P 'A'

AMERADA HESS CORPORATION
ARROWHEAD (GRAYBURG)

● 241
26613
1034331535
3,724 3,807

EXXON CORPORATION
STATE M

XTO ENERGY INCORPORATED
ARROWHEAD (GRAYBURG)

● 242
10353
3,710
31329
3,980

HUMBLE OIL & REFINING COMPANY
STATE M

● 3
10354
3,710

San Andres to 6730



RONMI

LEA COUNTY, NEW MEXICO

EUNICE AREA

NM "M" St. No. 52 Location



POSTED WELL DATA



WELL SYMBOLS

- Location Only
- Oil Well
- ☀ Gas Well
- ⊙ Dry Hole
- ∅ Injection Well
- △ Service Well

November 14, 2005

STATE M

● 6
10359
3,717

G P II ENERGY INCORPORATED
NEW MEXICO STATE M

☀ 101
24199
3,692

G P II ENERGY INCORPORATED
NM STATE M

∅ 46
● 24273

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Avenue, 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. 30-025-10352
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: Arrowhead Grayburg Unit
8. Well No. 232
9. Pool name or Wildcat Arrowhead, Grayburg

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

2. Name of Operator **Chevron USA, Inc.**

3. Address of Operator **15 Smith Rd. Midland, Tx 79705**

4. Well Location
 Unit Letter **J** : **1980** feet from the **South** line and **1980** feet from the **East** line
 Section **18** Township **22-S** Range **36-E** NMPM County **Lea**

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

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 checked="" type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <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.

1. Tag 7" CIBP @ 3570' spot 70sx plug fr/3570' to 3262'(Grayburg-Queen) Tag @ 3181'
2. Displace hole w/MLF, 9.5# Brine w/25 # Gel p/BBL.
3. Spot 40sx plug fr/2485' to 2385' (B-salt)
4. Spot 40sx plug fr/1230' to 1130' (T-salt)
5. Perf 4 holes @ 500' circ cmt between 7" X 9 5/8" csg w/160sx(9 5/8 shoe) Tag cmt @ surf
6. Install dry hole marker 9-27-02

Rescinded

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

SIGNATURE *[Signature]* TITLE MANAGER/SUNSET WELL DATE 9-27-02

Type or print name Jimmy BAGLEY Telephone No. 915 520-8756
 (This space for State use)

APPROVED BY GARY W. WATKINS ORIGINAL SIGNED BY GARY W. WATKINS DATE OCT 11 2002
 Conditions of approval, if any: OC FIELD REPRESENTATIVE - IN STATE MANAGER

Thursday December 29, 2005

1:51 PM

- Called Berger @ 817-810-1971 and made contact.
- Seemed surprised to hear that the Blinchy and Tubb zones were oil/sand zones and had special under associated w/sand.
- Drinkard interval is the primary zone of interest for this well. The Blinchy and Tubb intervals will probably be tested once the Drinkard is drilled.

Mr. [Signature]

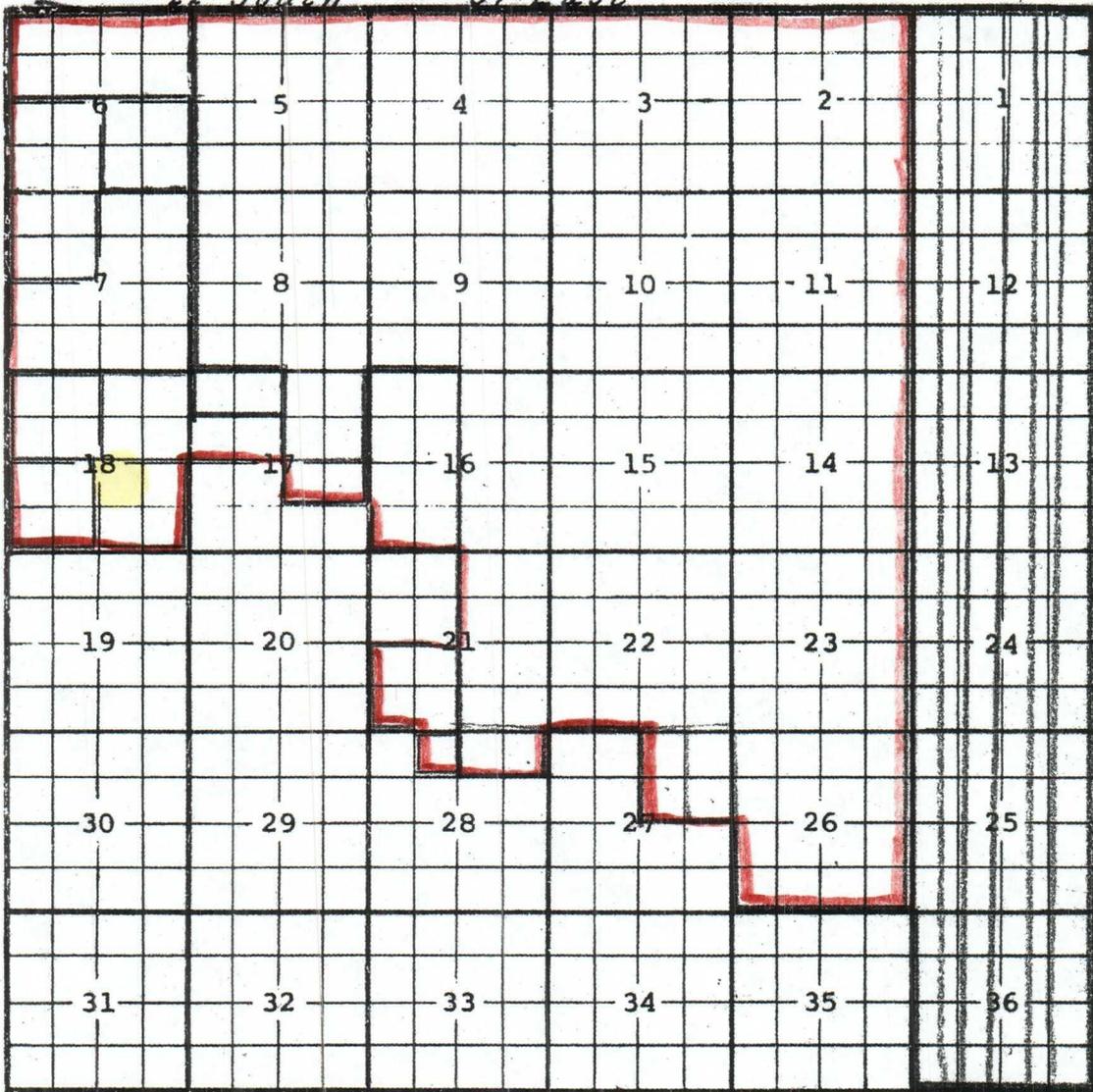
- 2:23 pm called again for an address

1	37.00	C	40.00	B	40.00	A	40.00
Fee owned	U	Federal owned	U	Federal owned	U	Fee owned	U
A A A A	A A A A	A A A A	A A A A	A A A A	A A	A A	
2	36.99	F	40.00	G	40.00	H	40.00
Fee owned	U	Fee owned	U	Fee owned	U	Fee owned	U
A A A A	A A A A	A A A A	A A A A	A A A A	P A		
3	36.99	K	40.00	J	40.00	I	40.00
Fee owned	U	B00934 0040	CS	B00934 0000	CS	B00934 0000	CS
A A A A	A A A A	APACHE CORPORATIO	U	EXXON MOBIL CORPO	U	EXXON MOBIL CORPO	U
		11/22/38		11/22/38		11/22/38	
4	36.98	N	40.00	O	40.00	P	40.00
Fee owned	U	B00934 0040	CS	B00934 0000	CS	B00934 0000	CS
A A A A	A A A A	APACHE CORPORATIO	U	EXXON MOBIL CORPO	U	EXXON MOBIL CORPO	U
		11/22/38		11/22/38		11/22/38	

19190

COUNTY Lea POOL Drinkard

TOWNSHIP 22-South RANGE 37-East NMFM



Description: All Secs. 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15; $\frac{E}{2}$ Sec. 16; $\frac{E}{2}$ Sec. 21; All Secs. 22, 23, 24, 25, 26 & 36.

Ext: $\frac{E}{2}$ $\frac{NE}{4}$ Sec. 27; $\frac{N}{2}$ $\frac{NE}{4}$ Sec. 28, (R-1023, 7-30-57). - $\frac{W}{2}$ $\frac{NE}{4}$ Sec. 27, (R-1089, 11-27-57). - $\frac{NE}{4}$ $\frac{N}{2}$ $\frac{SE}{4}$ Sec. 17, (R-1840, 1-1-60).

- $\frac{N}{2}$ $\frac{NW}{4}$ Sec. 17, (R-2427, 3-1-63). - $\frac{W}{2}$ Sec 16 (R-3355, 1-1-68)

- $\frac{N}{2}$ Sec 6 (R-4566, 7-1-73). Ext: $\frac{SE}{4}$ Sec 6 (R-4782, 6-1-74)

Ext: $\frac{SW}{4}$ Sec 6, $\frac{NW}{4}$ Sec 7 (R-5102, 10-1-75)

Ext: $\frac{NE}{4}$ $\frac{NW}{4}$ Sec 28 (R-5252, 9-1-76) Ext: $\frac{S}{2}$ $\frac{NW}{4}$ Sec 17, $\frac{NE}{4}$ Sec 18 -

- $\frac{SW}{4}$ Sec 21 (R-5456, 7-1-77) Ext: $\frac{NW}{4}$ Sec 18 (R-5511, 9-1-77)

Ext: $\frac{SW}{4}$ Sec 18 (R-5609, 1-1-79) Ext: $\frac{E}{2}$ & $\frac{SW}{4}$ Sec 7 (R-5781, 9-1-78)

Ext: $\frac{SE}{4}$ Sec 18 (R-5987, 4-1-79) DELE: ALL SECS. 1, 12, 13, 24, 25, 36 (R-8593, 1/27/88)

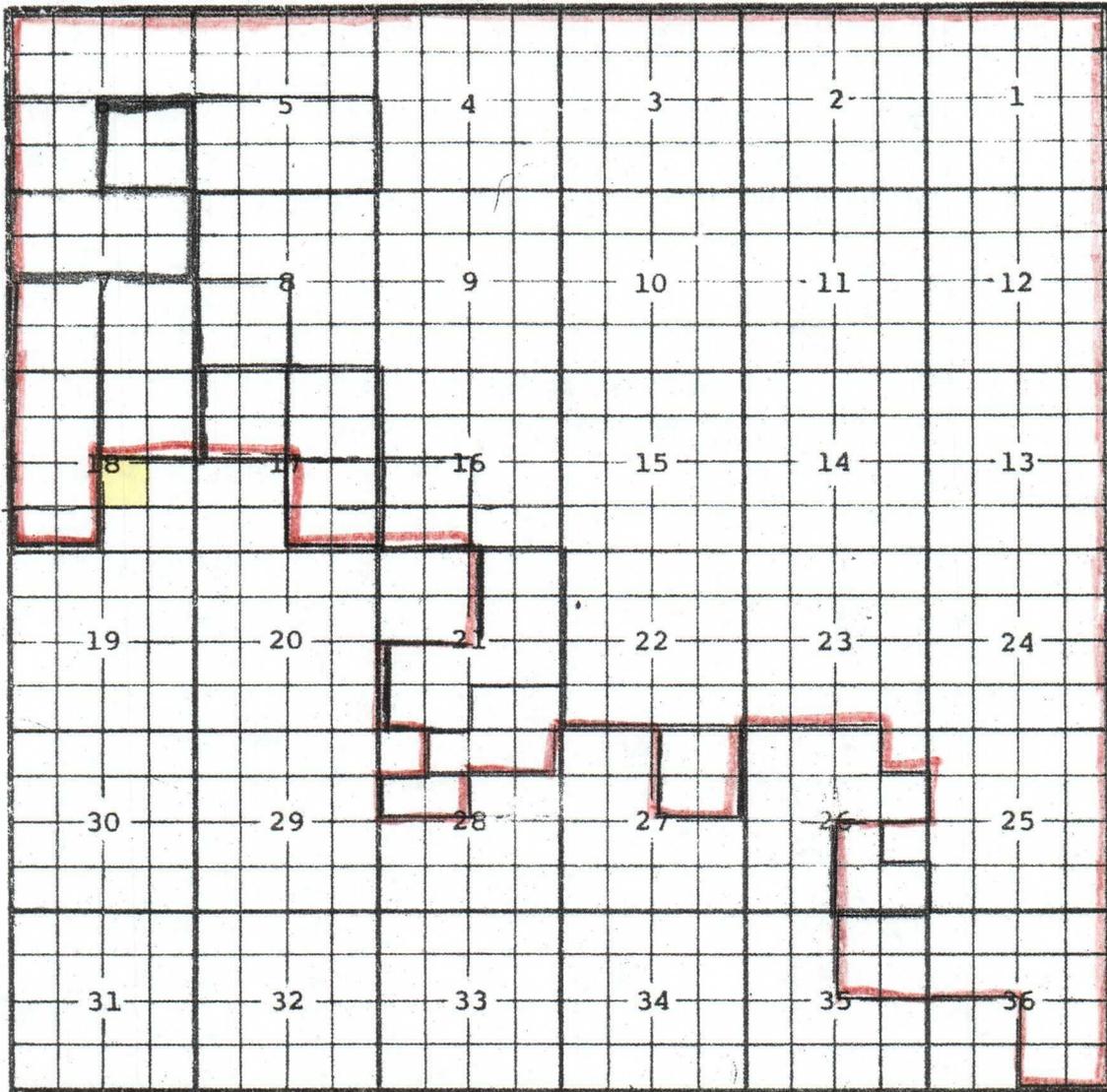
COUNTY Lea

POOL Blinebry Oil and Gas

TOWNSHIP 22 South

RANGE 37 East

NMPM



Description: All Secs 1 thru 4, $\frac{N}{2}$ Sec 5, $\frac{N}{2}$ Sec 6, $\frac{N}{2}$ & $\frac{SE}{4}$ Sec 8,
 All Secs 9 thru 15, $\frac{N}{2}$ & $\frac{SE}{4}$ Sec 16, All Secs 22 thru 25,
 $\frac{NE}{4}$ $\frac{NE}{4}$ & $\frac{NE}{4}$ $\frac{SE}{4}$ Sec 26, $\frac{NE}{4}$ Sec 35, $\frac{N}{2}$ & $\frac{SE}{4}$ Sec 36 (R-1670-N, 1-1-74)
 Ext: $\frac{S}{2}$ $\frac{SE}{4}$ Sec 21, $\frac{N}{2}$ $\frac{NE}{4}$ & $\frac{NE}{4}$ $\frac{NW}{4}$ Sec 28 (R-5309, 11-1-76)
 Ext: $\frac{S}{2}$ $\frac{NW}{4}$ Sec 28 (R-5511, 9-1-77)
 Ext: SW $\frac{1}{4}$ sec 16 (R 6724, 7-16-81)
 Ext: Sec: 6, 7, SW $\frac{1}{4}$, N $\frac{1}{2}$ (R-7114, 10-19-82)
 Ext: SW $\frac{1}{4}$ Sec. 7, W $\frac{1}{2}$ Sec. 18 (R-7248, 3-30-83) Ext: $\frac{NE}{4}$ Sec. 27 (R-7372, 10-29-83)
 Ext: SW $\frac{1}{4}$ SEC. 8 (R-8561, 13/4/87) EXT: NW $\frac{1}{4}$ Sec 17 (R-8667, 6/10/88)
 Ext: $\frac{NE}{4}$ Sec. 17 (R-9843, 2-8-93) Ext: $\frac{SE}{4}$ Sec. 7, $\frac{NE}{4}$ Sec. 18 (R-9937, 8-12-93)
 Ext: $\frac{SE}{4}$ Sec. 17 (R-10091, 3-28-94) Ext: $\frac{NE}{4}$, $\frac{N}{2}$ $\frac{SE}{4}$, SW $\frac{1}{4}$ Sec. 21 (R-10795, 4-28-97)
 Ext: W $\frac{1}{2}$ $\frac{SE}{4}$ and $\frac{SE}{4}$ $\frac{SE}{4}$ Sec. 26 (R-12046, 11-03-03)

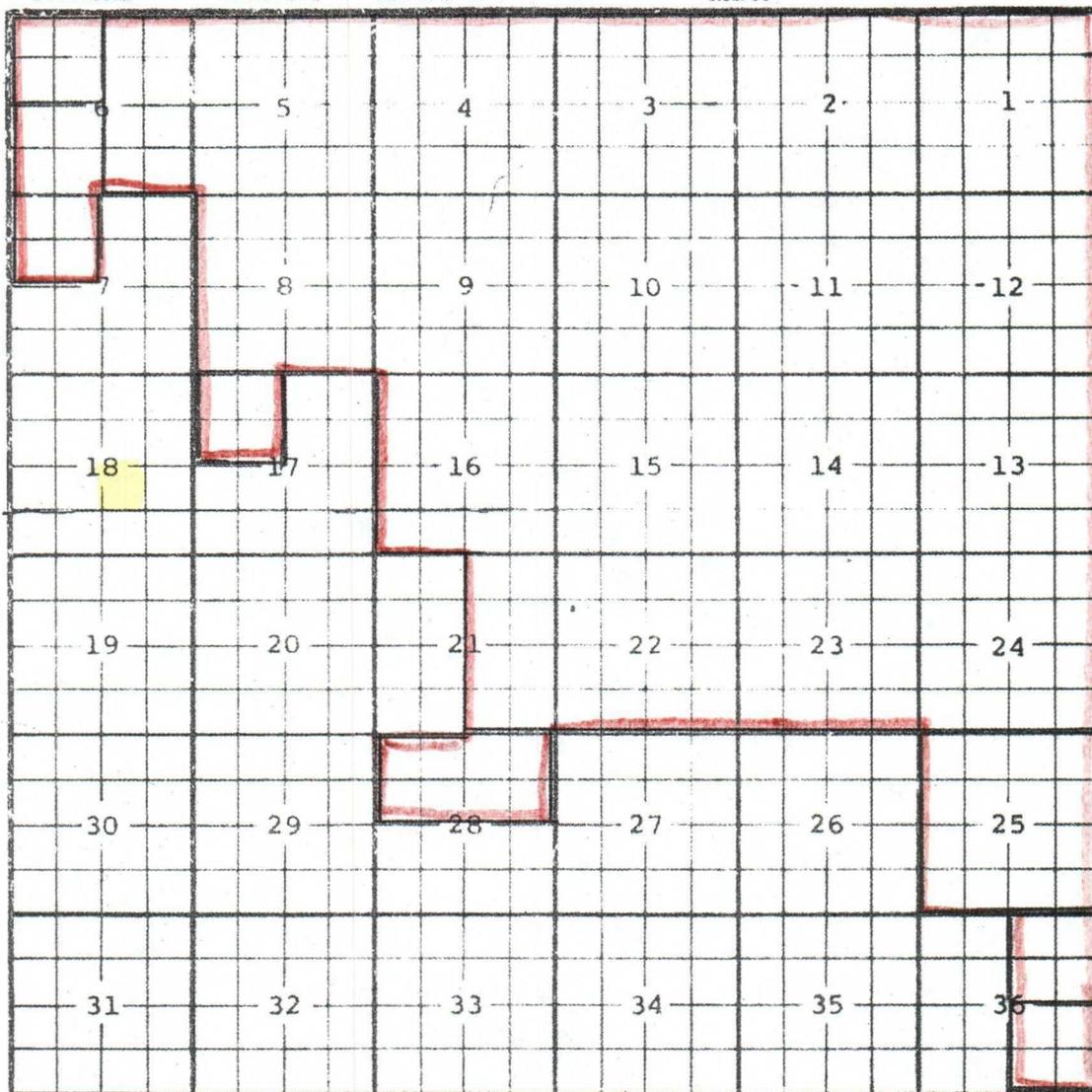
COUNTY *Lea*

POOL *Tubb* OIL AND GAS

TOWNSHIP *22 South*

RANGE *37 East*

NMPM



Description: All Secs 1 thru 5; $\frac{E}{2}$ Sec. 6; All Secs. 8 thru 16; $\frac{E}{2}$ Sec. 21;
All Secs. 22, 23, & 24 (R-264, 2-17-53)

Ext: All Sec 25 (R-407, 2-10-54) - $\frac{NE}{4}$ Sec 36 (R-724, 12-9-55)

Extend vertical limits to include entire interval from 100' above Tubb marker to top of Drinkard (R-4635, 10-1-73)

Ext: $\frac{N}{2}$ Sec 28 (R-5361, 3-1-77) Ext: $\frac{SE}{4}$ Sec 36 (R-5729, 6-1-78)

Ext: $\frac{NW}{4}$ Sec 6 (R-5838, 11-1-78) Ext: $\frac{SW}{4}$ Sec 6, $\frac{NW}{4}$ Sec 7 (R-5911, 2-1-79)

CHANGE FROM TUBB GAS TO TUBB OIL + GAS (R-6012 9-1-79) EXT: $\frac{NW}{4}$ SEC 17 (R-8667, 6/10/88)