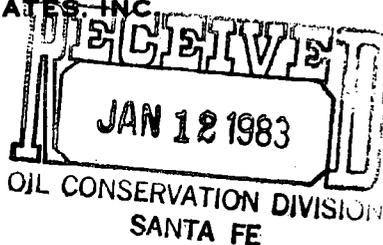




**WILLIAM P. AYCOCK & ASSOCIATES, INC.**

*Petroleum Engineering Consultants*  
308 WALL TOWERS WEST  
MIDLAND, TEXAS 79701  
PHONE 915/683-5721



December 29, 1982

New Mexico Department of Energy and Minerals,  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Mike Stogner

Subject: Administrative Application for Infill Well Findings  
for HCW Exploration Company's Cowden "C" No. 9 Well,  
Section 31, Township 23 South, Range 37 East,  
1650' FNL and 800' FEL, Jalmat (Gas) Pool,  
Lea County, New Mexico

Gentlemen:

Application is hereby made for an administrative infill well finding effective with initial gas deliveries for the described well in accordance with Exhibit "A", Order R-6013-A. The following constitute the requirements of the said Order:

- Rule 5: Attached are copies of the Forms C-101 and C-102.
- Rule 6: The name of the pool in which the infill well has been drilled is the Jalmat Pool, and the standard spacing therefor is 640 acres.
- Rule 7: The non-standard proration unit and unorthodox well location were approved administratively by Order No. NSP-1335, a copy of which is attached hereto.
- Rule 8: See attached Table No. 1, "Summary of Required Information, Rule 8, Exhibit "A", Order No. R-6013-A" for requirements of Sections "a." through "f.". Also required by Section "g." is "a clear and concise statement indicating why the existing well(s) on the proration unit cannot effectively and efficiently drain the portion of the reservoir covered by the proration unit." The Jalmat (Gas) Pool well to which the 320-acres were assigned that included the present 160-acre

non-standard proration unit was the HCW Exploration Company Cowden "C" No. 4; this well was last produced in July, 1980, with an accumulative gas production of 5,743 MMCF. Since July, 1982 and prior to the drilling and completion of the infill HCW Exploration Company Cowden "C" No. 9, there was no gas production from the east one-half of the original 320-acre proration unit which was assigned to the infill well from the Jalmat (Gas) Pool. Accordingly, any gas reserves that would have been recoverable after July, 1982 beneath the 160-acre proration unit would not have been produced unless an infill well had been drilled.

Rule 9:

- Section a. Requires that a formation structure map be submitted; attached is a Yates formation structure map of the area including and immediately surrounding the subject 160-acre proration unit.
- Section b. Requires that the "volume of increased ultimate recovery expected to be obtained and a narrative describing how the increase was determined " be submitted. The estimated ultimate gas recovery for the HCW Exploration Cowden "C" No. 9 is 180 MMCF. Since there is no gas to be recovered from the proration unit assigned to this infill well other than anticipated volume of gas, the increased ultimate recovery is 180 MMCF. The estimate of increased recovery for the HCW Exploration Company Cowden "C" No. 9 was accomplished as follows:

(1) Well logs for the HCW Cowden "C" No. 9 were analyzed, resulting in the following:

Mean Porosity, Fraction of Bulk Volume	0.171
Mean Connate Water Saturation, Fraction of Net Effective Pore Volume	0.39
Net Effective Pay Thickness, Feet	39.

Since the gross pay thickness constituting potential gas reservoir for the Cowden "C" No. 9 is 55 feet, the above represents a net effective pay to gross pay ratio of approximately 71 percent.

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Stabilized Deliverability Coefficient, MCF/day per psia <sup>2</sup> ,	0.0265022
Initial Stabilized Wellhead Shut-in Pressure (Pc), psia	143.2
Initial Gas Formation Volume Factor scf/rcf	9.68

(3) The results of steps (1) and (2) were then combined,  
resulting in the following:

Original Gas-in-Place

MMCF/Acre	1.722
MMCF/160 Acres	276.0
Estimated Gas Recovery Factor, Fraction of Original Gas-in-Place	0.651
Estimated Ultimate Recovery, MMCF per 160 Acres	179.7

Section c. Other supporting data submitted include the following:

Gas Production History Tabulation and Graph for HCW  
Exploration Company Cowden "C" No. 4 (the pre-existing  
well).

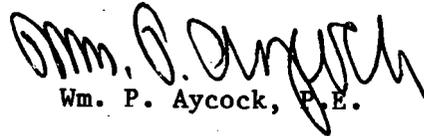
Complete New Mexico Oil Conservation Division (NMOCD) Forms  
on file for both the pre-existing HCW Exploration Company  
Cowden "C" No. 4 and the Infill HCW Exploration Co. Cowden  
"C" No. 9.

New Mexico Oil Conservation Division Order No. NSP-1335

New Mexico Department of Energy and Minerals  
Oil Conservation Division  
December 29, 1982  
Page 4

We believe that the above adequately documents this request and has been prepared in accordance with Exhibit "A", Order R-6013-A; however, we should be pleased to supply anything else which you might require in this connection.

Very truly yours,

  
Wm. P. Aycock, P.E.

WPA/pkm

Enclosures

TABLE NO. 1

SUMMARY OF REQUIRED INFORMATION, RULE 8, EXHIBIT "A", ORDER R-6013-A,  
 (Sections "a." through "f.")  
 NATURAL GAS POLICY ACT INFILL FINDINGS, ADMINISTRATIVE PROCEDURE

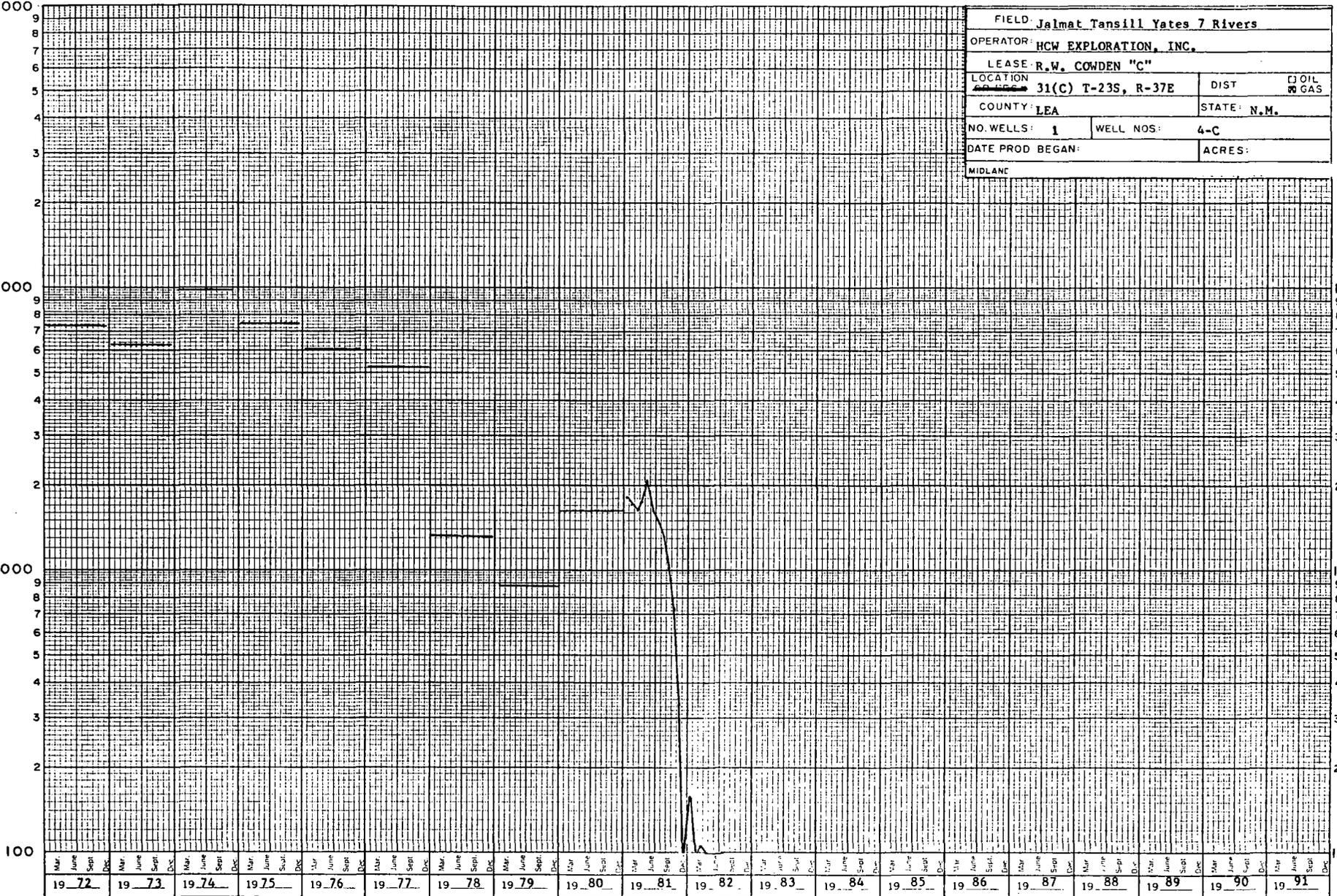
<u>SECTION OF RULE 8</u>	<u>RULE 8 REQUIREMENT</u>	<u>PRE-EXISTING WELL OPERATOR HCW EXPLORATION COMPANY</u>	<u>INFILL APPLICATION WELL OPERATOR HCW EXPLORATION COMPANY</u>
a.	Lease Name and Well Location	R. W. Cowden "C" No. 4	R. W. Cowden "C" No. 9
b.	Spud Date	October 30, 1949	September 10, 1982
c.	Completion Date	November 18, 1949, in Langlie-Mattix	October 15, 1982
d.	Mechanical Problems	None; PB to Jalmat 11-18-52	None.
e.	Current Rate of Production	None; Last produced 68 MCF in June 1982.	C-105: 494 MCF/day
f.	Date of Plug and Abandonment	Not Plugged. Casing side of dual completion as water injection well (Getty Oil Co. Myers Langlie-Mattix Unit No. 61).	Not Plugged.

I-1- CUM: UPDATED THRU: 7-82 BY:

FIELD: Jalmat Tansill Yates 7 Rivers	
OPERATOR: HCW EXPLORATION, INC.	
LEASE: R.W. COWDEN "C"	
LOCATION: <del>31(C) T-23S, R-37E</del>	DIST: <input type="checkbox"/> OIL <input checked="" type="checkbox"/> GAS
COUNTY: LEA	STATE: N.M.
NO. WELLS: 1	WELL NOS: 4-C
DATE PROD BEGAN:	ACRES:
MIDLAND	

100 000

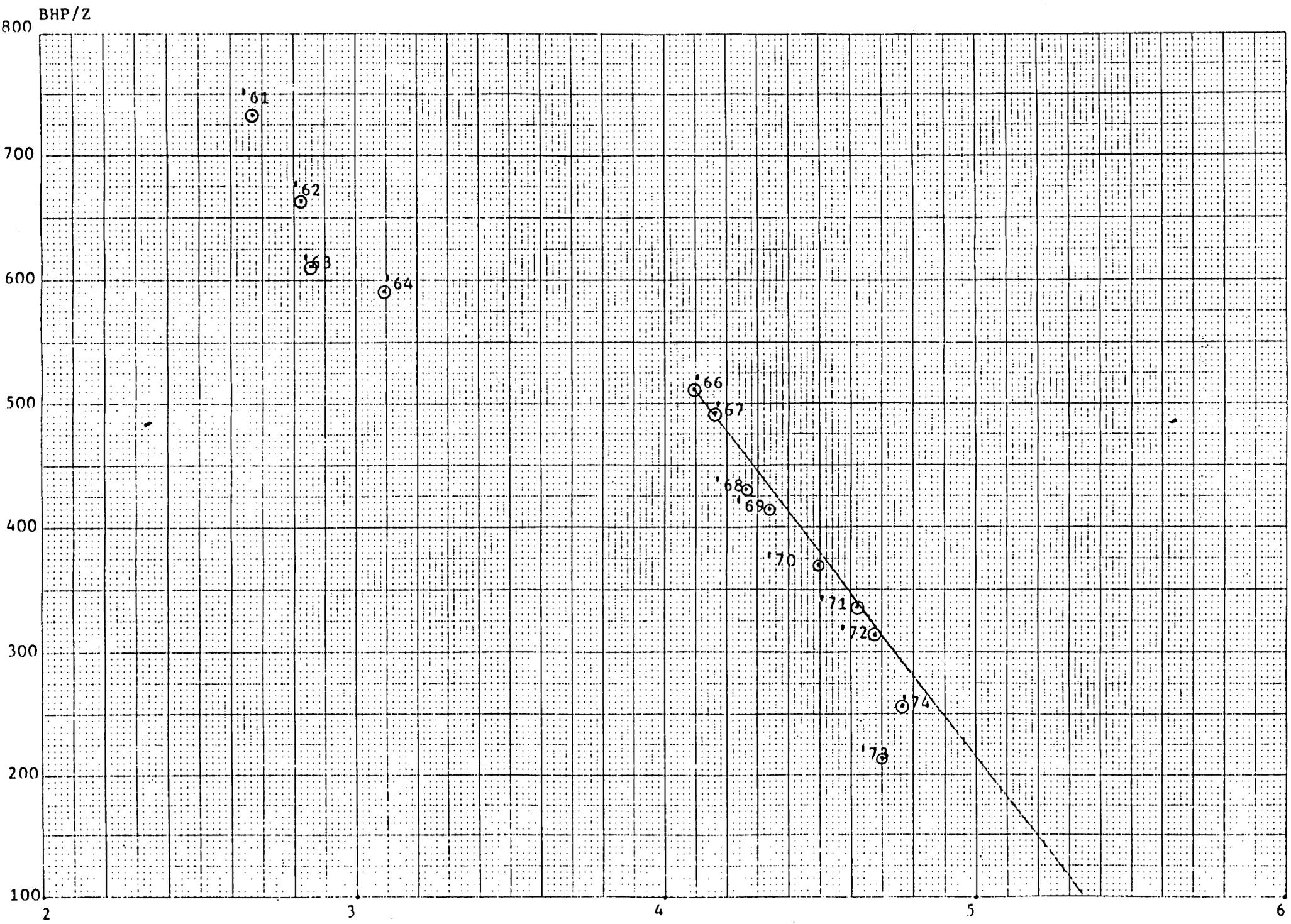
GAS PRODUCTION - MCF/MONTH



MONTHS X 3 LOG CYCLES

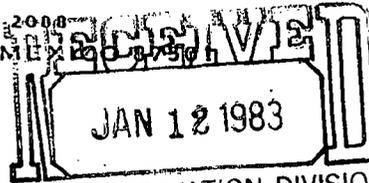
100

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FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

P. O. BOX 2000  
SANTA FE, NEW MEXICO



Form C-101  
Revised 10-1-78

5A. Indicate Type of Lease  
STATE  REC

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. Type of Work  
DRILL  DEEPEN  PLUG BACK

b. Type of Well  
OIL WELL  GAS WELL  OTHER

SINGLE ZONE  MULTIPLE ZONE

c. Name of Operator  
HCW Exploration, Inc.

d. Address of Operator  
P. O. Box 10585 Midland, Texas 79702

e. Location of Well  
UNIT LETTER H LOCATED 1650 FEET FROM THE North LINE  
AND 800 FEET FROM THE East LINE OF SEC. 31 TWP. 23S R.C. 37E N.M.P.M.

7. Unit Agreement Name

8. Farm or Lease Name  
R. W. Cowden "C"

9. Well No.  
9

10. Field and Pool, or Wildcat  
Jalmat (Gas)

12. County  
Lea

19. Proposed Depth 3300' 19A. Formation Yates 20. Rotary or C.T. Rotary

1. Elevations (Show whether DT, RT, etc.) 3329' GR 21A. Kind & Status Plug. Bond Blanket 21B. Drilling Contractor To be Determined 22. Approx. Date Work will start August 1982

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11"	8 5/8"	24#	400'	150	Surface
7 7/8"	4 1/2"	10.5#	3300'	500	Surface

Propose to drill 11" hole to 400' and run 8 5/8" casing. Will cement with sufficient cement volume to circulate cement to surface. Nipple up 10" 3000 psi BOP with pipe rams and blind rams. Drill 7 7/8" hole to approximately 2700' using brine water. Will drill with mud from 2700' to 3300' TD. Run open hole logs and if well looks productive, run 4 1/2" casing. Will try to circulate cement to surface on 4 1/2" casing. Will attempt to complete well as Yates gas well.

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 2/25/83  
UNLESS DRILLING UNDERWAY

ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Steve Douglas Steve Douglas Title Division Engineer Date August 20, 1982

(This space for State Use)  
ORIGINAL SIGNED BY  
JERRY SEXTON

AUG 25 1982

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION

**RECEIVED**  
JAN 12 1983

Form C-102  
Supersedes C-128  
Effective 1-1-83

All distances must be from the outer boundaries of the Section

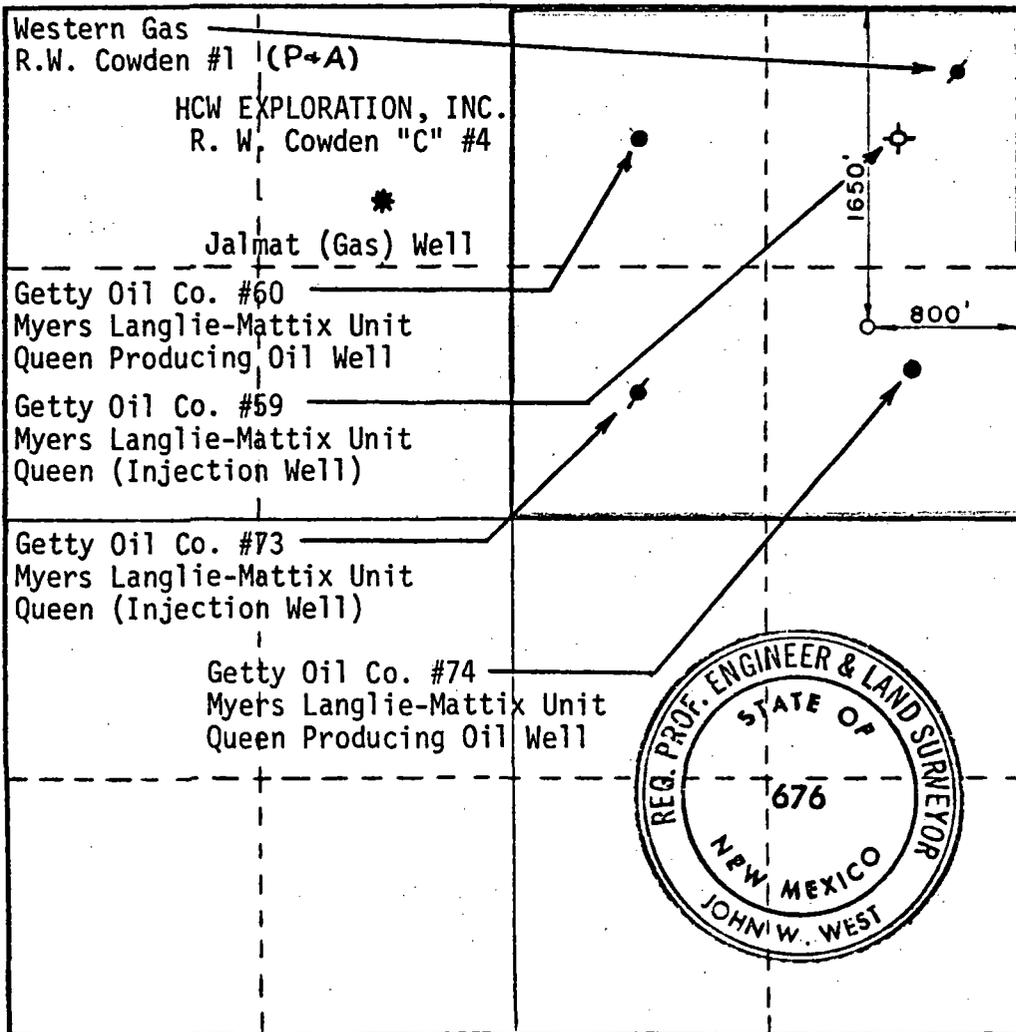
Operator <b>H.C.W. EXPLORATION INC.</b>		Lease <b>R.W. COWDEN</b>		Well No. <b>CONSERVATION DIVISION 9</b>	
Unit Letter <b>H</b>	Section <b>31</b>	Township <b>23-SOUTH</b>	Range <b>37-EAST</b>	County <b>SANTA FE</b>	
Actual Footage Location of Well: <b>1650</b> feet from the <b>NORTH</b> line and <b>800</b> feet from the <b>EAST</b> line					
Ground Level Elev. <b>3328.8</b>	Producing Formation <b>Yates</b>		Pool <b>Jalmat (Gas)</b>	Dedicated Acreage: <b>160</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



**CERTIFICATION**

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

*Steve A Douglas*

Name  
**Steve A. Douglas**  
Position  
**Division Engineer**  
Company  
**HCW Exploration, Inc.**

Date  
**August 20, 1982**

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 knowledge and belief.

**AUGUST 17, 1982**

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

*John W. West*

Certificate No. **JOHN W. WEST 676**  
**PATRICK A. ROMERO 6868**  
**Ronald J. Eidson 3239**



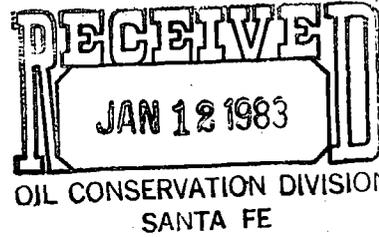
STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

November 15, 1982

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

HCW Exploration, Inc.  
P. O. Box 10585  
Midland, Texas 79702



Attention: Steve A. Douglas

Administrative Order NSP-1335

Gentlemen:

Reference is made to your application for a 160-acre non-standard proration unit consisting of the following acreage in the Jalmat Gas Pool:

LEA COUNTY, NEW MEXICO  
TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 31: NE/4

It is my understanding that this unit is to be dedicated to your R. W. Cowden "C" Well No. 9 located 1650 feet from the North line and 800 feet from the East line of said Section 31.

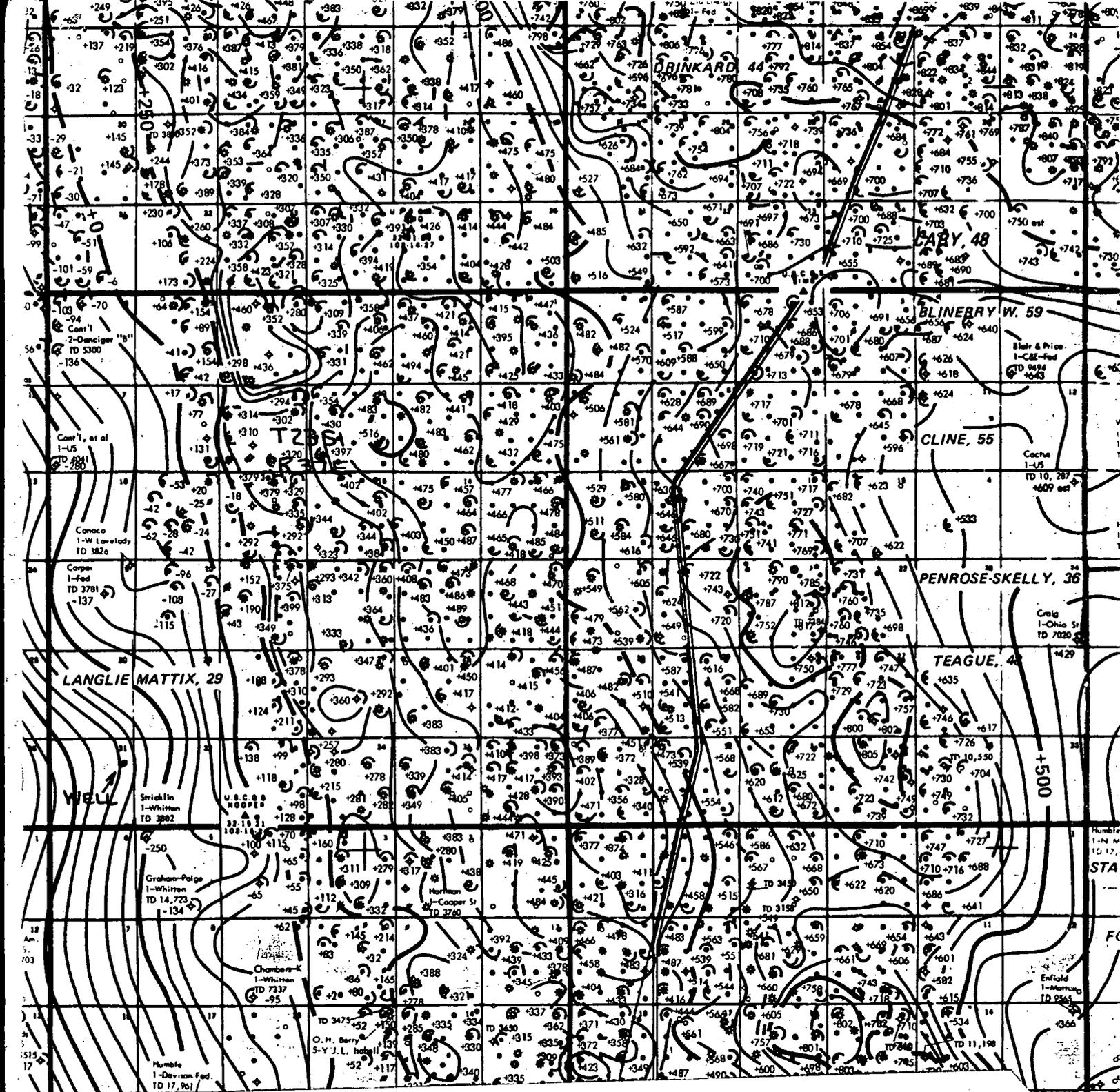
By authority granted me under the provisions of Rule 5(c)(3) of Order No. R-1670, the above non-standard proration unit is hereby approved.

Sincerely,

JOE D. RAMEY,  
Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs  
Oil & Gas Engineering Committee - Hobbs



BINKARD

BABY, 48

BLINERY W. 59

CLINE, 55

PENROSE-SKELLY, 36

TEAGUE, 4

LANGLIE MATTIX, 29

WELLS

Graham-Palge  
1-Whitton  
TD 14,723  
-134

Chambers-K  
1-Whitton  
TD 7337  
-95

Humble  
1-Dev. & Prod.  
TD 17,961

Humble  
1-N.M.  
TD 17,127

STA

FC

Enfield  
1-Whitton  
TD 9545

TD 11,198

TD 3650

TD 3475

TD 3158

TD 3450

TD 3760

TD 3780

TD 3820

TD 3880

TD 3920

TD 3980

TD 4040

TD 4100

TD 4160

TD 4220

TD 4280

TD 4340

TD 4400

TD 4460

TD 4520

TD 4580

TD 4640

TD 4700

TD 4760

TD 4820

TD 4880

TD 4940

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TD 5060

TD 5120

TD 5180

TD 5240

TD 5300

TD 5360

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TD 5480

TD 5540

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TD 6500

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TD 6620

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TD 6800

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TD 6920

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TD 19640

New Mexico Oil

Conservation Division

February 21, 1983

Michael E. Stogner

Petroleum Engineer

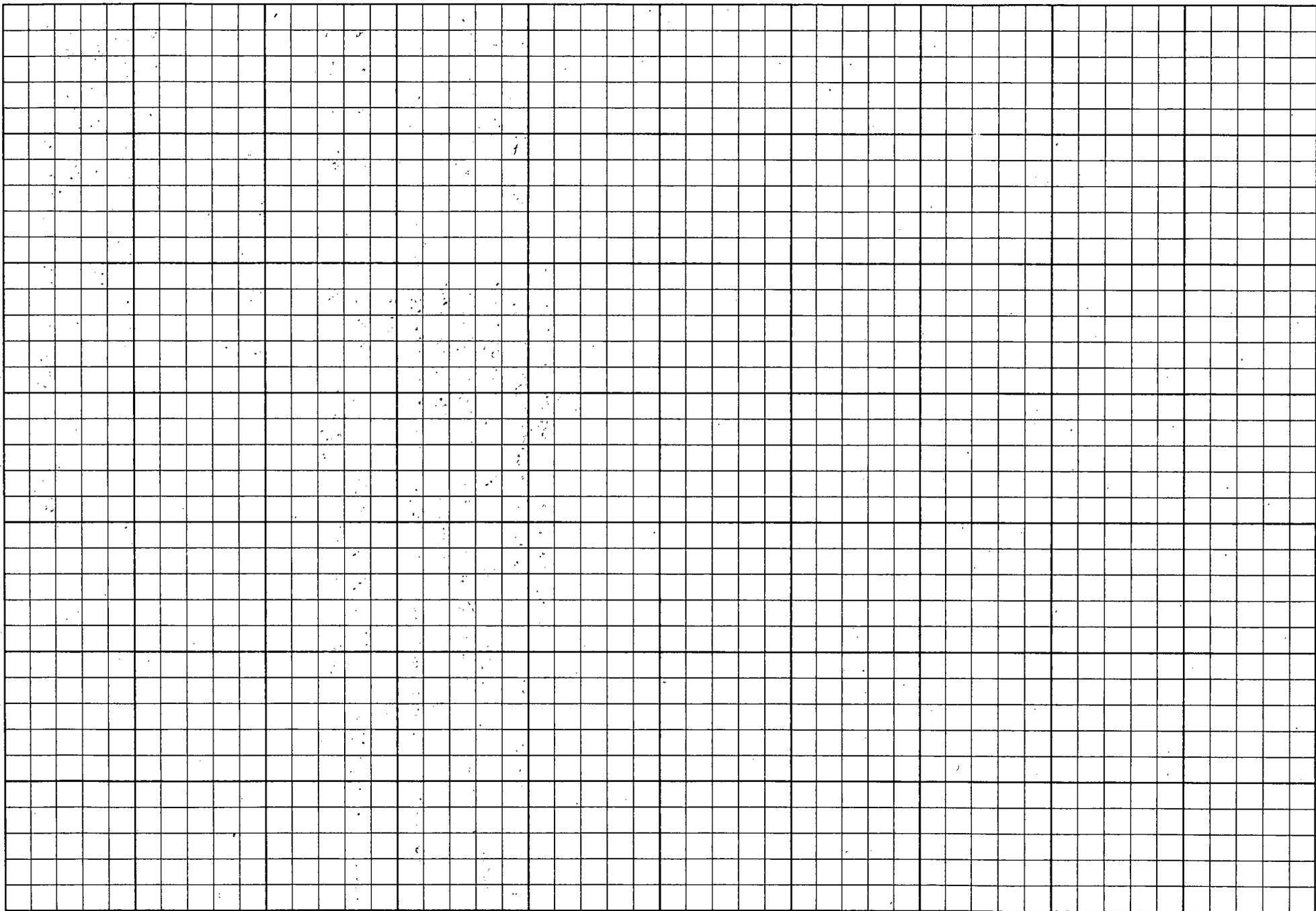
Administrative Application for Infill Well Findings  
HCU Exploration, Inc.  
R.W. Cowden "C" Well No. 9  
Unit H, Section 31, Township 33 South, Range 37 East,  
Lea County

Sequence of Events

- October 27, 1949 - R.W. Cowden "C" Well No. 4 Spudded.
- December 1953 - R.W. Cowden "C" Well No. 4 Completed (Dually) in Salinas zone.
- June 8, 1955 - ASP-143 approving W/E, 316 acre non-standard production unit dedicated to Well No. 4
- September 10, 1982 - R.W. Cowden "C" Well No. 9 Spudded.
- October 1982 - R.W. Cowden "C" Well No. 9 Completed in Salinas zone.
- November 15, 1982 - ASP-1335 approving W/E, 160 acre non-standard production unit dedicated to Well No. 9

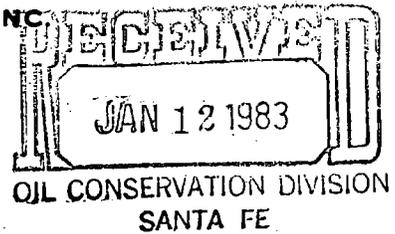


42-381 50 SHEETS 5 SQUARE  
42-382 100 SHEETS 5 SQUARE  
42-389 200 SHEETS 5 SQUARE  
MADE U.S.A.



**WILLIAM P. AYCOCK & ASSOCIATES, INC.**

*Petroleum Engineering Consultants*  
308 WALL TOWERS WEST  
MIDLAND, TEXAS 79701  
PHONE 915/683-5721



December 29, 1982

New Mexico Department of Energy and Minerals,  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Mike Stogner

Subject: Administrative Application for Infill Well Findings  
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resulting in the following:

Original Gas-in-Place

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Gas Production History Tabulation and Graph for HCW  
Exploration Company Cowden "C" No. 4 (the pre-existing  
well).

Complete New Mexico Oil Conservation Division (NMOCD) Forms  
on file for both the pre-existing HCW Exploration Company  
Cowden "C" No. 4 and the Infill HCW Exploration Co. Cowden  
"C" No. 9.

New Mexico Oil Conservation Division Order No. NSP-1335

New Mexico Department of Energy and Minerals  
Oil Conservation Division  
December 29, 1982  
Page 4

We believe that the above adequately documents this request and has been prepared in accordance with Exhibit "A", Order R-6013-A; however, we should be pleased to supply anything else which you might require in this connection.

Very truly yours,

  
Wm. P. Aycock, P.E.

WPA/pkm

Enclosures

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 (Sections "a." through "f.")  
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SECTION OF RULE 8	RULE 8 REQUIREMENT	PRE-EXISTING WELL OPERATOR HCW EXPLORATION COMPANY	INFILL APPLICATION WELL OPERATOR HCW EXPLORATION COMPANY
a.	Lease Name and Well Location	R. W. Cowden "C" No. 4	R. W. Cowden "C" No. 9
b.	Spud Date	October 30, 1949	September 10, 1982
c.	Completion Date	November 18, 1949, in Langlie-Mattix	October 15, 1982
d.	Mechanical Problems	None; PB to Jalmat 11-18-52	None.
e.	Current Rate of Production	None; Last produced 68 MCF in June 1982.	C-105: 494 MCF/day
f.	Date of Plug and Abandonment	Not Plugged. Casing side of dual completion as water injection well (Getty Oil Co. Myers Langlie-Mattix Unit No. 61).	Not Plugged.

100 000

FIELD Jalmat Tansill Yates 7 Rivers	
OPERATOR HCW EXPLORATION, INC.	
LEASE R.W. COWDEN "C"	
LOCATION 31(C) T-23S, R-37E	DIST 20 GAS
COUNTY LEA	STATE N.M.
NO. WELLS 1	WELL NOS 4-C
DATE PROD BEGAN	ACRES

MIDLANC

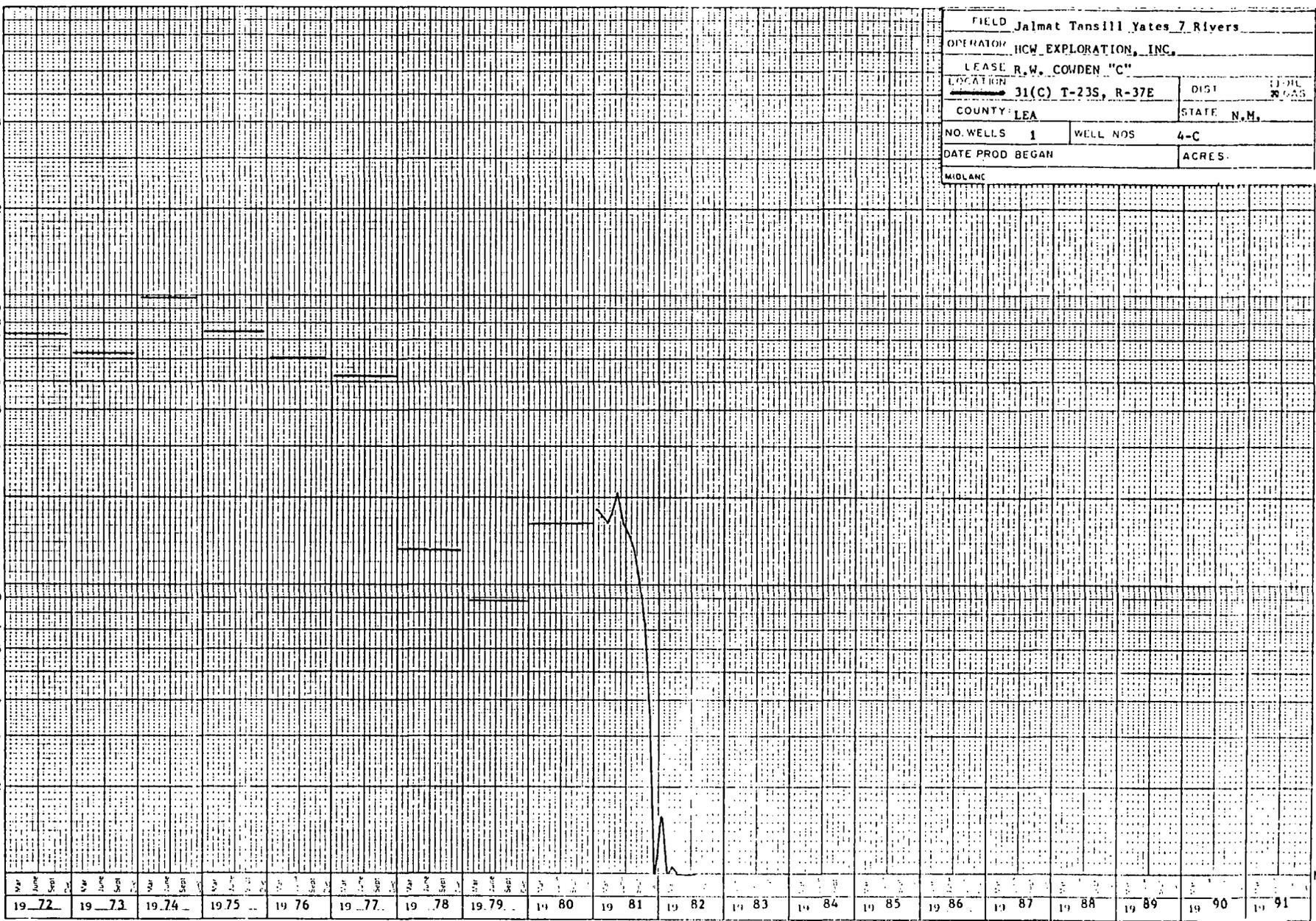
GAS PRODUCTION - MCF/MONTH

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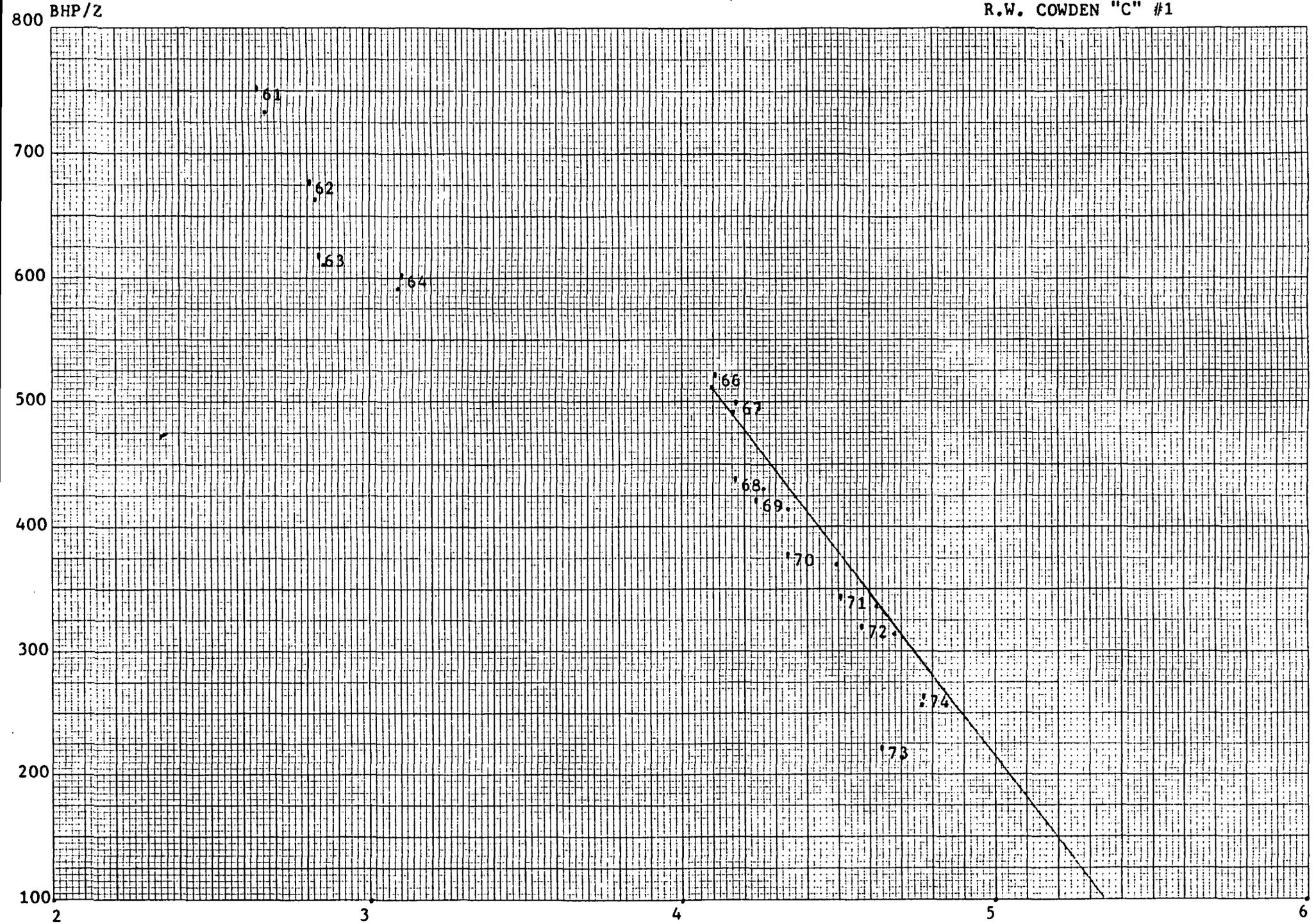
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MONTHS x 3 LOG CYCLES



HCW EXPLORATION, INC.  
R.W. COWDEN "C" #1



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SANTA FE	
FILE	
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LAND OFFICE	
OPERATOR	

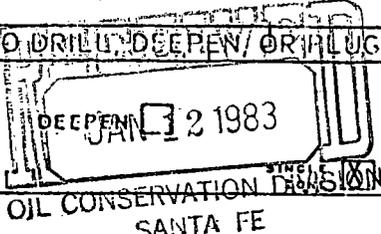
5A. Indicate Type of Lease  
STATE  FEDERAL

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN/ OR PLUG BACK

a. Type of Work

b. Type of Well  
 DRILL  PLUG BACK   
 OIL WELL  GAS WELL  OTHER  MULTIPLE ZONE



7. Unit Agreement Name

8. Farm or Lease Name  
R. W. Cowden "C"

c. Name of Operator  
HCW Exploration, Inc.

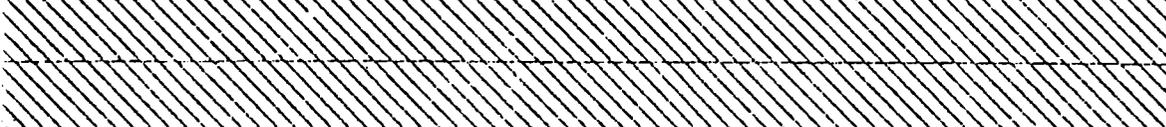
9. Well No.  
9

d. Address of Operator  
P. O. Box 10585 Midland, Texas 79702

10. Field and Pool, or Wildcat  
Jalmat (Gas)

e. Location of Well  
 UNIT LETTER H LOCATED 1650 FEET FROM THE North LINE  
800 FEET FROM THE East LINE OF SEC. 31 TWP. 23S R. 37E N.M.P.M.

12. County  
Lea



19. Proposed Depth 3300' 19A. Formation Yates 20. Rotary or C.T. Rotary

1. Elevations (Show whether DP, KI, etc.) 3329' GR 21A. Kind & Status Plug. Bond Blanket 21B. Drilling Contractor To be Determined 22. Approx. Date Work will start August 1982

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11"	8 5/8"	24#	400'	150	Surface
7 7/8"	4 1/2"	10.5#	3300'	500	Surface

Propose to drill 11" hole to 400' and run 8 5/8" casing. Will cement with sufficient cement volume to circulate cement to surface. Nipple up 10" 3000 psi BOP with pipe rams and blind rams. Drill 7 7/8" hole to approximately 2700' using brine water. Will drill with mud from 2700' to 3300' TD. Run open hole logs and if well looks productive, run 4 1/2" casing. Will try to circulate cement to surface on 4 1/2" casing. Will attempt to complete well as Yates gas well.

APPROVAL VALID FOR 180 DAYS  
 PERMIT EXPIRES 2/25/83  
 UNLESS DRILLING UNDERWAY

ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Steve Douglas Steve Douglas Title Division Engineer Date August 20, 1982

(This space for State Use)  
 ORIGINAL SIGNED BY  
 JERRY SEXTON

AUG 25 1982

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 CONDITIONS OF APPROVAL, IF ANY: DISTRICT 1 SUPP.

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION

AT JAN 12 1983

Form C-102  
Supersedes C-128  
Effective 1-1-85

All distances must be from the outer boundaries of the Section CONSERVATION DIVISION

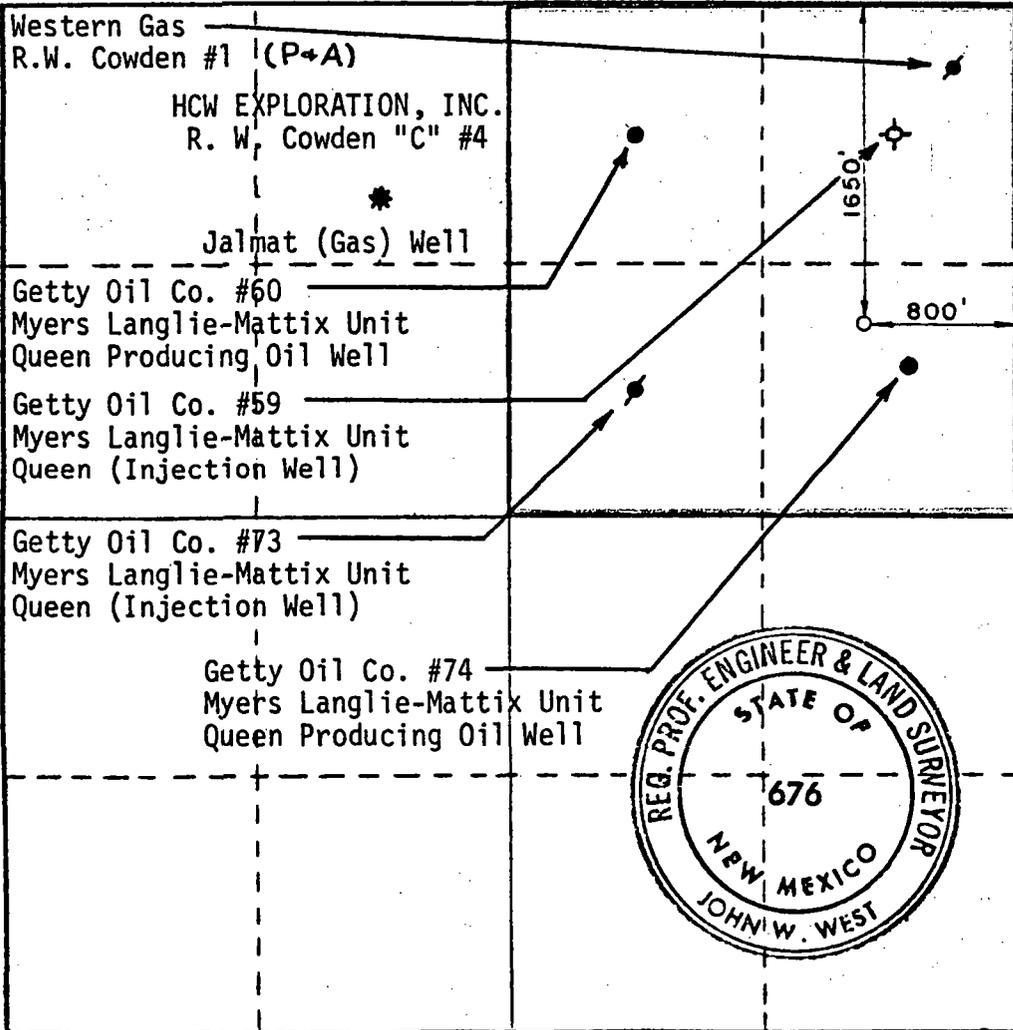
Operator <b>H.C.W. EXPLORATION INC.</b>		Lease <b>R.W. COWDEN "C"</b>		SANTA FE		Well No. <b>9</b>	
Unit Letter <b>H</b>	Section <b>31</b>	Township <b>23-SOUTH</b>	Range <b>37-EAST</b>	County <b>LEA</b>			
Actual Footage Location of Well: <b>1650</b> feet from the <b>NORTH</b> line and <b>800</b> feet from the <b>EAST</b> line							
Ground Level Elev. <b>3328.8</b>	Producing Formation <b>Yates</b>		Pool <b>Jalmat (Gas)</b>			Dedicated Acreage: <b>160</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

*Steve A Douglas*

Name  
**Steve A. Douglas**  
Position  
**Division Engineer**  
Company  
**HCW Exploration, Inc.**

Date  
**August 20, 1982**

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 knowledge and belief.

**AUGUST 17, 1982**

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

*John W. West*

Certificate No. **JOHN W. WEST 676**  
**PATRICK A. ROMERO 6665**  
**Ronald J. Eidson 3239**



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

November 15, 1982

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

HCW Exploration, Inc.  
P. O. Box 10585  
Midland, Texas 79702

Attention: Steve A. Douglas

Administrative Order NSP-1335

Gentlemen:

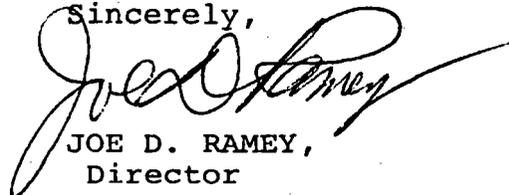
Reference is made to your application for a 160-acre non-standard proration unit consisting of the following acreage in the Jalmat Gas Pool:

LEA COUNTY, NEW MEXICO  
TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 31: NE/4

It is my understanding that this unit is to be dedicated to your R. W. Cowden "C" Well No. 9 located 1650 feet from the North line and 800 feet from the East line of said Section 31.

By authority granted me under the provisions of Rule 5(c)(3) of Order No. R-1670, the above non-standard proration unit is hereby approved.

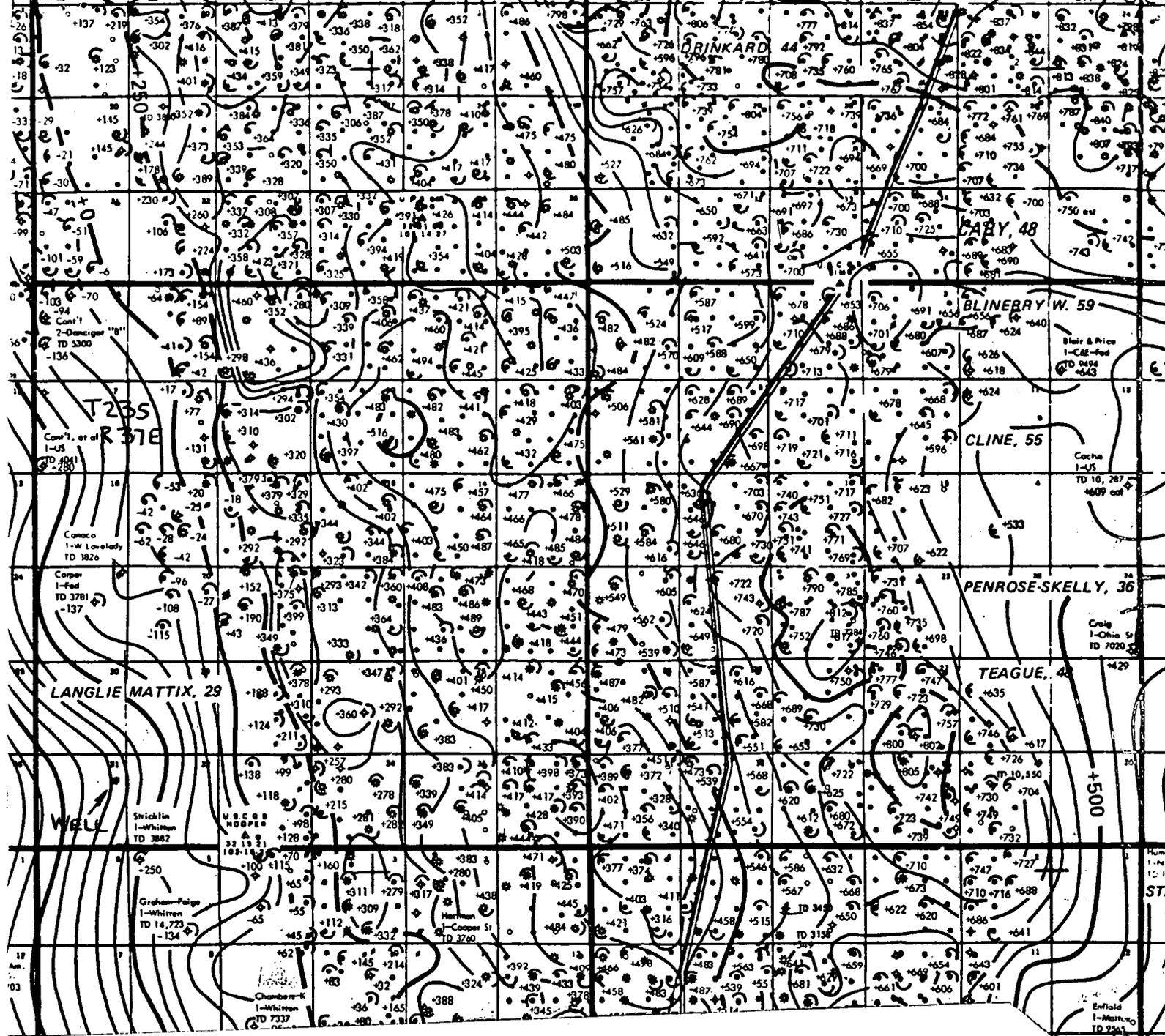
Sincerely,



JOE D. RAMEY,  
Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs  
Oil & Gas Engineering Committee - Hobbs

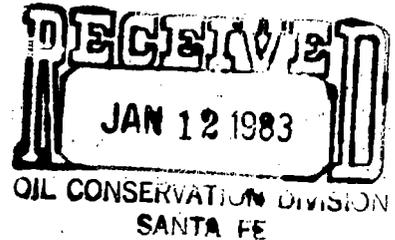


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**WILLIAM P. AYCOCK & ASSOCIATES, INC.**

*Petroleum Engineering Consultants*  
308 WALL TOWERS WEST  
MIDLAND, TEXAS 79701  
PHONE 915/683-5721



December 29, 1982

New Mexico Department of Energy and Minerals,  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Mike Stogner

Subject: Administrative Application for Infill Well Findings  
for HCW Exploration Company's Cowden "C" No. 9 Well,  
Section 31, Township 23 South, Range 37 East,  
1650' FNL and 800' FEL, Jalmat (Gas) Pool,  
Lea County, New Mexico

Gentlemen:

Application is hereby made for an administrative infill well finding effective with initial gas deliveries for the described well in accordance with Exhibit "A", Order R-6013-A. The following constitute the requirements of the said Order:

- Rule 5: Attached are copies of the Forms C-101 and C-102.
- Rule 6: The name of the pool in which the infill well has been drilled is the Jalmat Pool, and the standard spacing therefor is 640 acres.
- Rule 7: The non-standard proration unit and unorthodox well location were approved administratively by Order No. NSP-1335, a copy of which is attached hereto.
- Rule 8: See attached Table No. 1, "Summary of Required Information, Rule 8, Exhibit "A", Order No. R-6013-A" for requirements of Sections "a." through "f.". Also required by Section "g." is "a clear and concise statement indicating why the existing well(s) on the proration unit cannot effectively and efficiently drain the portion of the reservoir covered by the proration unit." The Jalmat (Gas) Pool well to which the 320-acres were assigned that included the present 160-acre

non-standard proration unit was the HCW Exploration Company Cowden "C" No. 4; this well was last produced in July, 1980, with an accumulative gas production of 5,743 MMCF. Since July, 1982 and prior to the drilling and completion of the infill HCW Exploration Company Cowden "C" No. 9, there was no gas production from the east one-half of the original 320-acre proration unit which was assigned to the infill well from the Jalmat (Gas) Pool. Accordingly, any gas reserves that would have been recoverable after July, 1982 beneath the 160-acre proration unit would not have been produced unless an infill well had been dilled.

Rule 9:

Section a. Requires that a formation structure map be submitted; attached is a Yates formation structure map of the area including and immediately surrounding the subject 160-acre proration unit.

Section b. Requires that the "volume of increased ultimate recovery expected to be obtained and a narrative describing how the increase was determined " be submitted. The estimated ultimate gas recovery for the HCW Exploration Cowden "C" No. 9 is 180 MMCF. Since there is no gas to be recovered from the proration unit assigned to this infill well other than anticipated volume of gas, the increased ultimate recovery is 180 MMCF. The estimate of increased recovery for the HCW Exploration Company Cowden "C" No. 9 was accomplished as follows:

(1) Well logs for the HCW Cowden "C" No. 9 were analyzed, resulting in the following:

Mean Porosity, Fraction of Bulk Volume	0.171
Mean Connate Water Saturation, Fraction of Net Effective Pore Volume	0.39
Net Effective Pay Thickness, Feet	39.

Since the gross pay thickness constituting potential gas reservoir for the Cowden "C" No. 9 is 55 feet, the above represents a net effective pay to gross pay ratio of approximately 71 percent.

(2) The production test for the Cowden "C" No. 9 performed on October 15, 1982, was analyzed, resulting in the following:

Stabilized Deliverability Coefficient, MCF/day per psia <sup>2</sup> ,	0.0265022
Initial Stabilized Wellhead Shut-in Pressure (Pc), psia	143.2
Initial Gas Formation Volume Factor scf/rcf	9.68

(3) The results of steps (1) and (2) were then combined,  
resulting in the following:

Original Gas-in-Place

MMCF/Acre	1.722
MMCF/160 Acres	276.0
Estimated Gas Recovery Factor, Fraction of Original Gas-in-Place	0.651
Estimated Ultimate Recovery, MMCF per 160 Acres	179.7

Section c. Other supporting data submitted include the following:

Gas Production History Tabulation and Graph for HCW  
Exploration Company Cowden "C" No. 4 (the pre-existing  
well).

Complete New Mexico Oil Conservation Division (NMOCD) Forms  
on file for both the pre-existing HCW Exploration Company  
Cowden "C" No. 4 and the Infill HCW Exploration Co. Cowden  
"C" No. 9.

New Mexico Oil Conservation Division Order No. NSP-1335

New Mexico Department of Energy and Minerals  
Oil Conservation Division  
December 29, 1982  
Page 4

We believe that the above adequately documents this request and has been prepared in accordance with Exhibit "A", Order R-6013-A; however, we should be pleased to supply anything else which you might require in this connection.

Very truly yours,

  
Wm. P. Aycock, P.E.

WPA/pkm

Enclosures

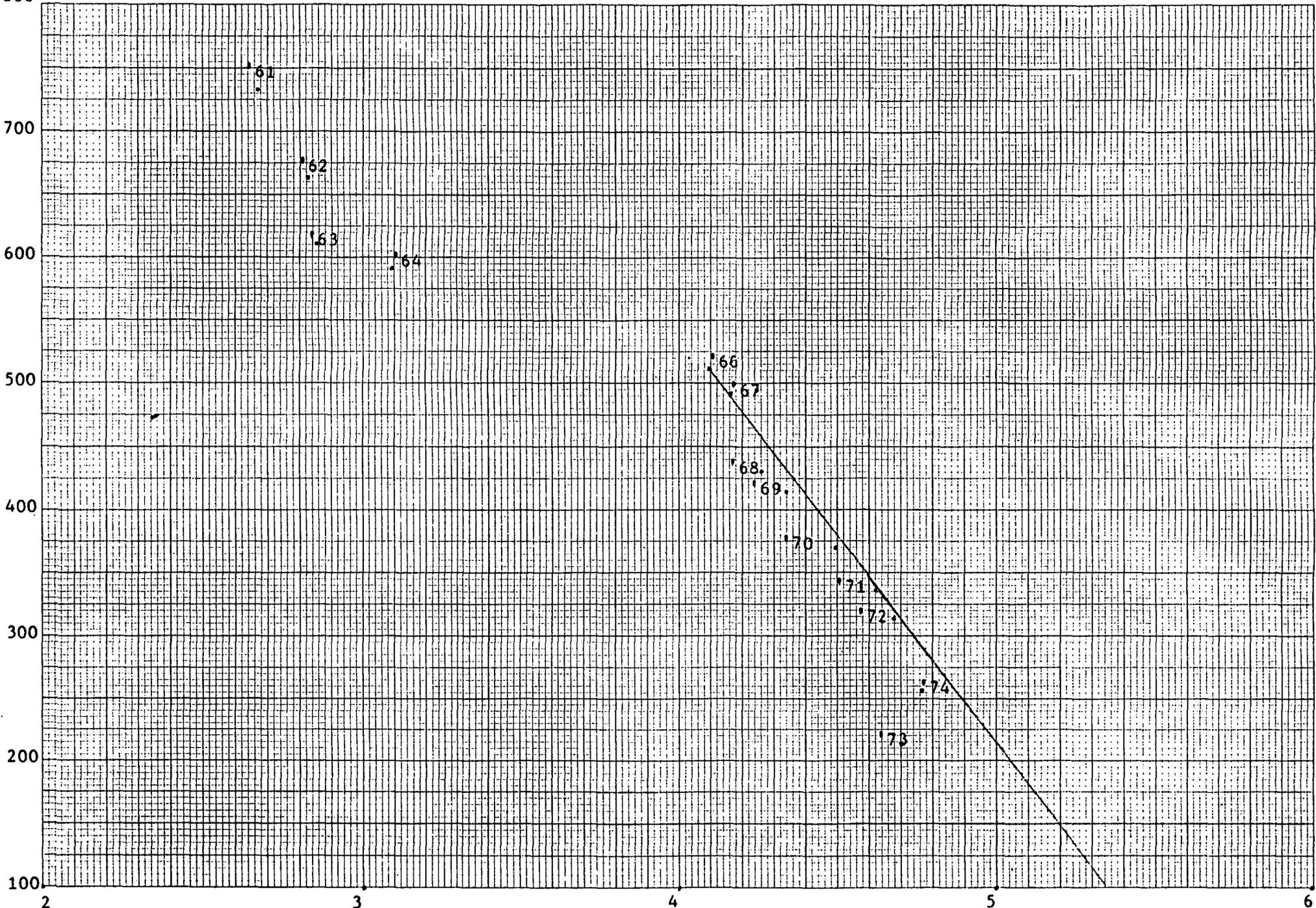
TABLE NO. 1

SUMMARY OF REQUIRED INFORMATION, RULE 8, EXHIBIT "A", ORDER R-6013-A,  
 (Sections "a." through "f.")  
 NATURAL GAS POLICY ACT INFILL FINDINGS, ADMINISTRATIVE PROCEDURE

SECTION OF RULE 8	RULE 8 REQUIREMENT	PRE-EXISTING WELL OPERATOR HCW EXPLORATION COMPANY	INFILL APPLICATION WELL OPERATOR HCW EXPLORATION COMPANY
a.	Lease Name and Well Location	R. W. Cowden "C" No. 4	R. W. Cowden "C" No. 9
b.	Spud Date	October 30, 1949	September 10, 1982
c.	Completion Date	November 18, 1949, in Langlie-Mattix	October 15, 1982
d.	Mechanical Problems	None; PB to Jalmat 11-18-52	None.
e.	Current Rate of Production	None; Last produced 68 MCF in June 1982.	C-105: 494 MCF/day
f.	Date of Plug and Abandonment	Not Plugged. Casing side of dual completion as water injection well (Getty Oil Co. Myers Langlie-Mattix Unit No. 61).	Not Plugged.

HCW EXPLORATION, INC.  
R.W. COWDEN "C" #1

800 BHP/Z



2

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4

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100 000

FIELD Jalmat Tansill Yates 7 Rivers	
OPERATOR HCW EXPLORATION, INC.	
LEASE R.W. CONDEN "C"	
LOCATION 31(C) T-23S, R-37E	DIST 10900 N. GAS
COUNTY LEA	STATE N.M.
NO. WELLS 1	WELL NOS 4-C
DATE PROD BEGAN	ACRES

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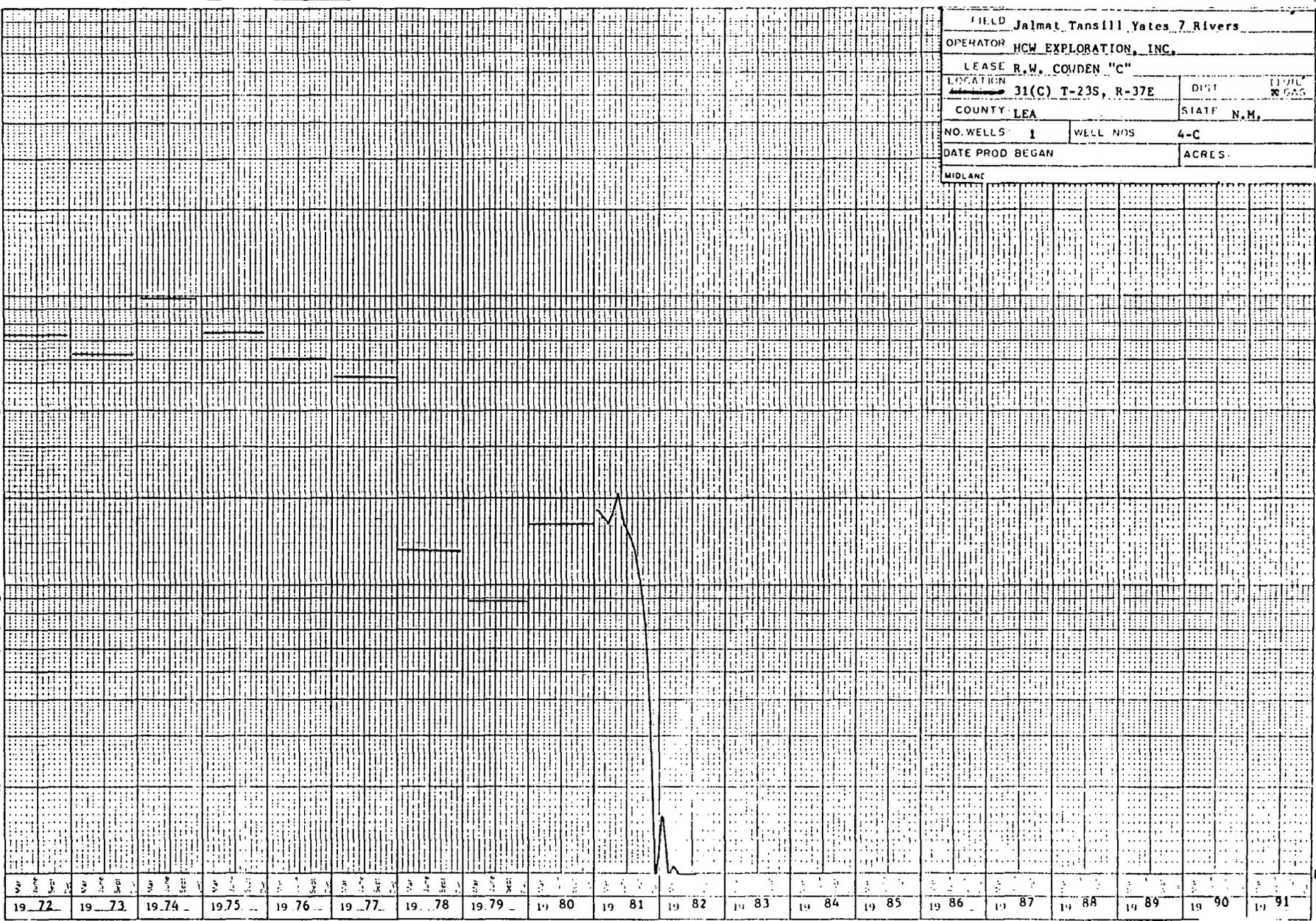
GAS PRODUCTION - MCF/MONTH

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MONTHS x 3 LOG CYCLES



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LAND OFFICE	
OPERATOR	

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SANTA FE, NEW MEXICO 87501  
**RECEIVED**  
JAN 12 1983  
OIL CONSERVATION DIVISION

Form C-101  
Revised 10-1-78

5A. Indicate Type of Lease  
STATE  FEDERAL

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. Type of Work  
DRILL  DEEPEN  PLUG BACK

b. Type of Well  
OIL WELL  GAS WELL  OTHER   
SINGLE ZONE  MULTIPLE ZONE

3. Name of Operator  
HCW Exploration, Inc.

4. Address of Operator  
P. O. Box 10585 Midland, Texas 79702

6. Location of Well  
UNIT LETTER H LOCATED 1650 FEET FROM THE North LINE  
AND 800 FEET FROM THE East LINE OF SEC. 31 TWP. 23S RCP. 37E NMPM

7. Unit Agreement Name

8. Farm or Lease Name  
R. W. Cowden "C"

9. Well No.  
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10. Field and Pool, or Wildcat  
Jalmat (Gas)

12. County  
Lea

19. Proposed Depth 3300' 19A. Formation Yates 20. Rotary or C.T. Rotary

1. Elevations (Show whether DF, KI, etc.) 3329' GR 21A. Kind & Status Plug. Bond Blanket 21B. Drilling Contractor To be Determined 22. Approx. Date Work will start August 1982

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APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 2/25/83  
UNLESS DRILLING UNDERWAY

ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Steve Douglas Steve Douglas Title Division Engineer Date August 20, 1982

(This space for State Use)  
ORIGINAL SIGNED BY  
JERRY SEXTON

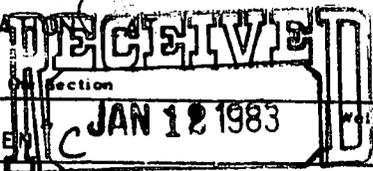
AUG 25 1982

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION

Form C-102  
Supersedes C-128  
Effective 1-4-65

All distances must be from the outer boundaries of the section



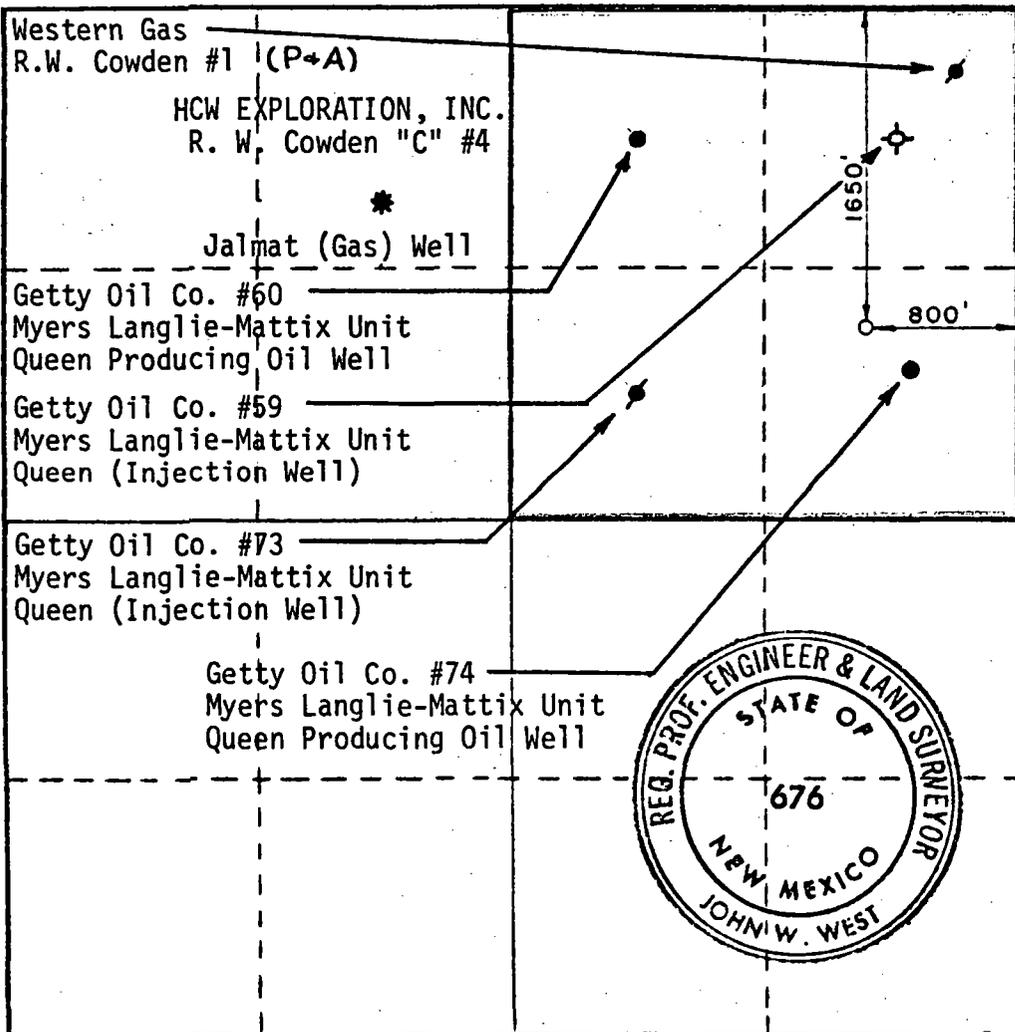
Operator <b>H.C.W. EXPLORATION INC.</b>		Lease <b>R.W. COWDEN</b>		Well No. <b>9</b>
Unit Letter <b>H</b>	Section <b>31</b>	Township <b>23-SOUTH</b>	Range <b>37-EAST</b>	County <b>SANTA FE</b>
Actual Footage Location of Well: <b>1650</b> feet from the <b>NORTH</b> line and <b>800</b> feet from the <b>EAST</b> line				
Ground Level Elev. <b>3328.8</b>	Producing Formation <b>Yates</b>	Pool <b>Jalmat (Gas)</b>	Dedicated Acreage: <b>160</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

*Steve A Douglas*

Name  
**Steve A. Douglas**  
Position  
**Division Engineer**  
Company  
**HCW Exploration, Inc.**

Date  
**August 20, 1982**

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 knowledge and belief.

**AUGUST 17, 1982**

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

*John W. West*

Certificate No. **JOHN W. WEST 676**  
**PATRICK A. ROMERO 6663**  
**Ronald J. Eidson 3239**

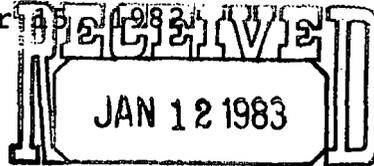
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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

November 1982



POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

HCW Exploration, Inc.  
P. O. Box 10585  
Midland, Texas 79702

OIL CONSERVATION DIVISION  
SANTA FE

Attention: Steve A. Douglas

Administrative Order NSP-1335

Gentlemen:

Reference is made to your application for a 160-acre non-standard proration unit consisting of the following acreage in the Jalmat Gas Pool:

LEA COUNTY, NEW MEXICO  
TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 31: NE/4

It is my understanding that this unit is to be dedicated to your R. W. Cowden "C" Well No. 9 located 1650 feet from the North line and 800 feet from the East line of said Section 31.

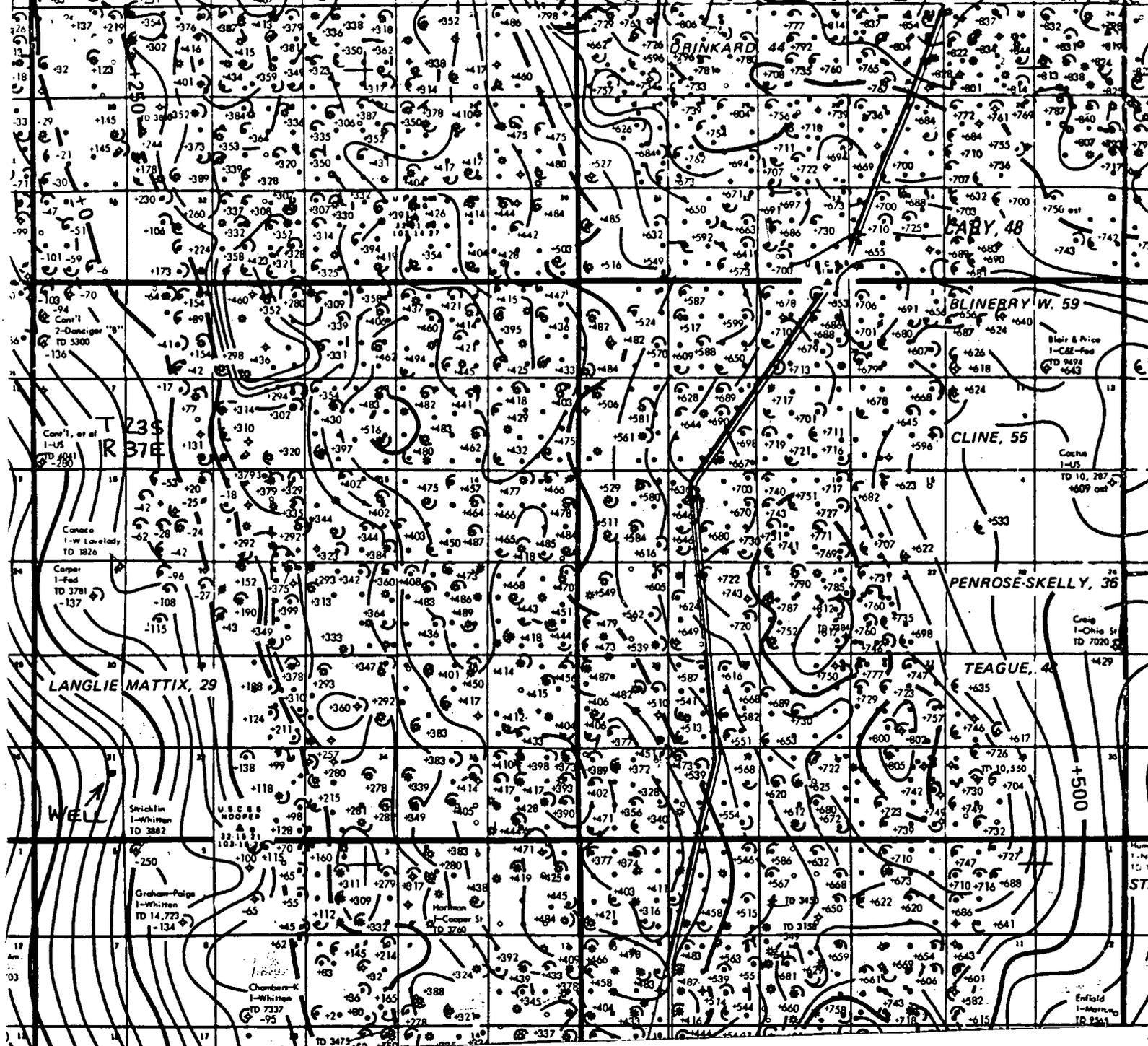
By authority granted me under the provisions of Rule 5(c)(3) of Order No. R-1670, the above non-standard proration unit is hereby approved.

Sincerely,

JOE D. RAMEY,  
Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs  
Oil & Gas Engineering Committee - Hobbs



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STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

September 16, 1996

**Doyle Hartman, Oil Operator**  
**Attention: Don Mashburn**  
**P. O. Box 10426**  
**Midland, Texas 79702**

**Roca Production, Inc.**  
**Attention: Steven Douglas, President**  
**P. O. Box 10139**  
**Midland, Texas 79702**

*Administrative Order NSP-143-B(L)(SD)*

Dear Messrs. Mashburn and Douglas:

Reference is now made to: (i) the application filed by Doyle Hartman, Oil Operator ("Hartman") by letter dated June 20, 1996; (ii) the Division's initial response to said application from Mr. Michael E. Stogner by letter dated June 25, 1996; (iii) to the letter dated August 7, 1996 from Mr. Don Mashburn of Hartman's office in Midland, Texas; (iv) Division Administrative Order NSP-143-A(L)(SD), dated August 14, 1996; and, (v) to the application filed by Roca Production, Inc. ("Roca") by letter dated August 21, 1996: all of which pertain to both parties requests to divide the existing 315.98-acre non-standard gas spacing and proration unit ("GPU") in the Jalmat Gas Pool comprising Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 31, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, into two separate gas spacing and proration units to comprise:

- (a) the 235.98 acres consisting of Lots 1 and 2 (being the W/2 NW/4 equivalent), the W/2 NE/4, and the E/2 NW/4 of said Section 31; and,
- (b) the 80 acres consisting of the E/2 NE/4 of said Section 31.

Said 315.98-acre GPU was authorized by Division Administrative Order NSP-143, dated June 8, 1996 and had dedicated thereon the Doyle Hartman R. W. Cowden "C" Well No. 4/OXY USA, Inc. Myers Langlie Mattix Unit Well No. 61 (API No. 30-025-10903), located at a standard gas well location for the 315.98-acre GPU 990 feet from the North line and 1980 feet from the West line (Unit C) of said Section 31, and, by Division Administrative Order NFL-71, dated February 22, 1983, the R. W. Cowden "C" Well No. 9 (API No. 30-025-27918), located at a standard gas well location 1650 feet from the North line and 800 feet from the East line (Unit H), now operated by Roca Production, Inc., was simultaneously dedicated to said 315.98-acre GPU.

It is our understanding by the subject applications and related correspondence that:

- (1) Hartman will be operator of the proposed 235.98-acre non-standard GPU comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of said Section 31 in which said acreage is to be simultaneously dedicated to the aforementioned R. W. Cowden "C" Well No. 4 and to the proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of said Section 31, and,
- (2) the remaining 80 acres comprising the E/2 NE/4 of said Section 31 is to be operated by Roca Production, Inc. and have dedicated to it the above-described R. W. Cowden "C" Well No. 9 now located at an unorthodox gas well location for the resulting 80-acre GPU.

The Division finds at this time that, both of the subject applications filed by Doyle Hartman, Oil Operator and Roca Production, Inc. have been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996 and Rule 2(d) of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Jalmat Gas Pool*", as promulgated by Division Order No. R-8170, as amended. Pursuant to said rules no objection to the subject applications have been received within the required 20-day waiting periods.

Therefore, by the authority granted me under the provisions of the aforementioned rules applicable in this matter, it is hereby ordered:

- (a) that Doyle Hartman, Oil Operator ("Hartman") be designated the operator of the 235.98 acres, comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of said Section 31, thereby forming a non-standard gas spacing and proration unit ("GPU") within the Jalmat Gas Pool in which is to be simultaneously dedicated to the existing R. W. Cowden "C" Well No. 4/OXY USA, Inc. Myers Langlie Mattix Unit Well No. 61 (API No. 30-025-10903), located at a standard Jalmat gas well location for the 235.98-acre GPU 990 feet from the North line and 1980 feet from the West line (Unit C) of said Section 31 and to its proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of said Section 31. Also, Hartman is hereby authorized to simultaneously dedicate Jalmat gas production from the proposed R. W. Cowden "C" Well No. 10 with the existing R. W. Cowden "C" Well No. 4. Furthermore, Hartman is permitted to produce the allowable assigned the subject GPU from both wells in any proportion; and,
- (b) that Roca Production, Inc. ("Roca") be authorized to operate the

Administrative Order NSP-143-B(L)(SD)  
Doyle Hartman/Roca Production, Inc.  
September 16, 1996  
Page 3

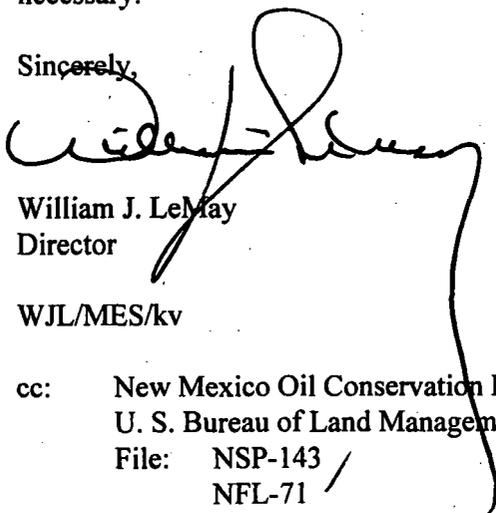
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remaining 80 acres comprising the E/2 NE/4 of said Section 31, as a non-standard gas spacing and proration unit ("GPU") within the Jalmat Gas Pool in which is to be dedicated to the existing R. W. Cowden "C" Well No. 9 (API No. 30-025-27918), located at an unorthodox gas well location for the subject 80-acre GPU 1650 feet from the North line and 800 feet from the East line (Unit H) of said Section 31.

Division Administrative Orders NSP-143, NFL-71, NSP-143-A(L)(SD) shall be placed in abeyance until further notice.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



William J. Lemay  
Director

WJL/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
U. S. Bureau of Land Management - Carlsbad  
File: NSP-143 /  
NFL-71 /  
NSP-1335  
NSP-143-A(L)(SD)



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

August 14, 1996

**Doyle Hartman, Oil Operator**  
**Attention: Don Mashburn**  
**P. O. Box 10426**  
**Midland, Texas 79702**

---

**Roca Production, Inc.**  
**Attention: James C. Brown**  
**P. O. Box 10139**  
**Midland, Texas 79702**

***Administrative Order NSP-143-A(L)(SD)***

**Dear Messrs. Mashburn and Brown:**

Reference is made to: (i) the application filed by Doyle Hartman, Oil Operator ("Hartman") by letter dated June 20, 1996; (ii) the Division's initial response to said application from Mr. Michael E. Stogner by letter dated June 25, 1996; and, (iii) to the letter dated August 7, 1996 from Mr. Don Mashburn of Hartman's office in Midland, Texas; for authorization to divide the existing 315.98-acre non-standard gas spacing and proration unit ("GPU") in the Jalmat Gas Pool comprising Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 31, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, into two separate gas spacing and proration units comprising 235.98 acres and 80 acres.

Said 315.98-acre GPU was authorized by Division Administrative Order NSP-143, dated June 8, 1996 and had dedicated thereon the Doyle Hartman R. W. Cowden "C" Well No. 4/OXY USA, Inc. Myers Langlie Mattix Unit Well No. 61 (API No. 30-025-10903), located at a standard gas well location for the 315.98-acre GPU 990 feet from the North line and 1980 feet from the West line (Unit C), of said Section 31, and, by Division Administrative Order NFL-71, dated February 22, 1983, the R. W. Cowden "C" Well No. 9 (API No. 30-025-27918), located at a standard gas well location 1650 feet from the North line and 800 feet from the East line (Unit H), now operated by Roca Production, Inc., was simultaneously dedicated to said 315.98-acre GPU.

It is our understanding by the subject application and related correspondence that:

- (1) Hartman will be operator of the proposed 235.98-acre non-standard GPU comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of said Section 31 in which said acreage is to be simultaneously dedicated to the aforementioned R. W. Cowden "C" Well No. 4 and to the proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of said Section 31, and,
- (2) the remaining 80 acres comprising the E/2 NE/4 of said Section 31 is to be operated by Roca Production, Inc. and have dedicated to it the above-described R. W. Cowden "C" Well No. 9 now located at an unorthodox gas well location for the resulting 80-acre GPU.

The Division finds at this time that, the subject application of Doyle Hartman, Oil Operator has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996 and Rule 2(d) of the *"General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Jalmat Gas Pool"*, as promulgated by Division Order No. R-8170, as amended. Pursuant to said rules no objection to the subject application has been received within the required 20-day waiting period. It should be further noted that Roca Production, Inc. has not responded to either Hartman's application or to the Division's letter dated June 25, 1996.

It is therefore ordered, by the authority granted me under the provisions of said rules, that Doyle Hartman, Oil Operator ("Hartman") is hereby authorized to operate the 235.98 acres, comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of said Section 31, as a non-standard gas spacing and proration unit ("GPU") within the Jalmat Gas Pool in which is to be simultaneously dedicated to the existing R. W. Cowden "C" Well No. 4/OXY USA, Inc. Myers Langlie Mattix Unit Well No. 61 (API No. 30-025-10903), located at a standard Jalmat gas well location for the 235.98-acre GPU 990 feet from the North line and 1980 feet from the West line (Unit C) of said Section 31 and to its proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of said Section 31.

Also, Hartman is hereby authorized to simultaneously dedicate Jalmat gas production from the proposed R. W. Cowden "C" Well No. 10 with the existing R. W. Cowden "C" Well No. 4. Furthermore, Hartman is permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

Administrative Order NSP-143-A(L)(SD)

Doyle Hartman/Roca Production, Inc.

August 14, 1996

Page 3

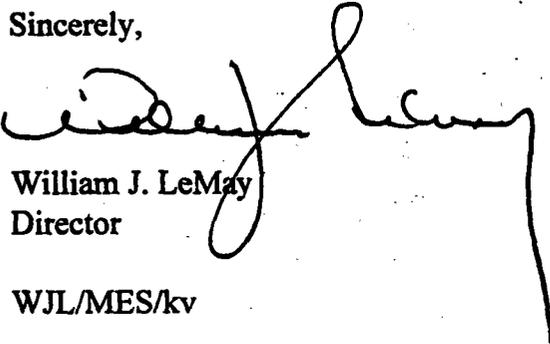
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It is further ordered that the remaining 80 acres comprising the E/2 NE/4 of said Section 31, operated by Roca Production, Inc.: (i) is no longer dedicated to producing Jalmat acreage; (ii) that the existing R. W. Cowden "C" Well No. 9 is producing without a proper assignment of allowable; and, (iii) that said well is considered to be at an unapproved unorthodox Jalmat gas well location. It is ordered however that Roca Production, Inc. is granted a temporary 45-day authorization to produce its R. W. Cowden "C" Well No. 9 with an acreage factor of 0.50 to be ascribe against the Jalmat allowable for said well. If however no formal application from Roca Production, Inc. has been submitted to the Division within this 45-day period, the temporary allowable shall be canceled and the well ordered to be shut-in until such application has been submitted and approved.

Said Division Orders NSP-143 and NFL-71 shall be placed in abeyance until further notice.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



William J. LeMay  
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs  
Michael E. Stogner, Chief Hearing Officer - OCD, Santa Fe  
U. S. Bureau of Land Management - Carlsbad  
File: NSP-143  
NFL-71 ✓  
NSP-1335



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

August 4, 2006

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

Director

**Oil Conservation Division**

**Plantation Operating, L.L.C.**

**2203 Timberloch Place, Suite 229**

**The Woodlands, Texas 77380**

**Attention: John Allred, P.E.**

**jallred@plantationpetro.com**

## AMENDED Division Administrative Order NSP-143-B (L) (SD)

Dear Mr. Allred:

Reference is made to the following: (i) your initial application submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on June 8, 2006 (*administrative application reference No. pMES0-621637048*); (ii) your letter dated June 22, 2006 with supplemental information to support this application; (iii) your e-mail of June 26, 2006 checking on the status of this application; and (iv) the Division's records in Hobbs and Santa Fe, including the files on Division Administrative Orders NSP-143, NSP-143-A (L) (SD), NSP-143-B (L) (SD), NSP-1335 and NFL-71: all concerning Plantation Operating, L.L.C.'s ("Plantation") request to amend both Division Administrative Orders NSP-143-A (L) (SD), dated August 14, 1996, and NSP-143-B (L) (SD), dated September 16, 1996, to reflect a location change for one of the wells that was the subject of the 235.98-acre non-standard Jalmat gas spacing unit comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of Section 31, Township 23 South, Range 37 East, NMPM, Jalmat Gas Pool (79240), Lea County, New Mexico, established in part by these orders.

Division Administrative Order NSP-143-A (L) (SD) split a previously approved 315.98-acre non-standard Jalmat gas spacing unit comprising the N/2 equivalent of Section 31 (see Division Administrative Order NSP-143, dated June 8, 1955) into two separate units comprising:

- (a) the above-described 235.98-acre unit to be operated by Doyle Hartman, Oil Operator ("Hartman") and simultaneously dedicated to the existing R. W. Cowden "C" Well No. 4 (*API No. 30-025-10903*), located at a standard gas well location 990 feet from the North line and 1980 feet from the West line (Unit C) of Section 31 and the proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of Section 31; and
- (b) the remaining 80 acres comprising the E/2 NE/4 to be operated by Roca Production, Inc. ("Roca") and dedicated to the existing R. W. Cowden "C" Well No. 9 (*API No. 30-025-27918*), located at an unorthodox gas well location 1650 feet from the North line and 800 feet from the East line (Unit H) of Section 31.

Plantation Operating, L.L.C.

AMENDED Division Administrative Order NSP-143-B (L) (SD)

August 4, 2006

Page 2

Division Administrative Order NSP-143-B (L) (SD) formalized this arrangement and placed Division Administrative Order NSP-143-A (L) (SD) in abeyance.

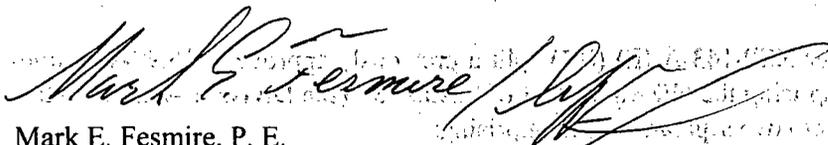
According to your application and the Division's records, Hartman never drilled the R. W. Cowden "C" Well No. 10 at the proposed unorthodox Jalmat infill well location in Unit "E" of Section 31. It is Plantation's intent at this time however, as successor operator to the Hartman acreage, to drill its R. W. Cowden "C" Well No. 10 (API No. 30-025-36771) at a standard infill gas well location within the 235.98-acre non-standard unit 990 feet from the North line and 660 feet from the West line (Lot 1/Unit D) of Section 31.

By the authority granted me under the provisions of Rules 4 (B) and (D) of the special rules governing the Jalmat Gas Pool, Division Administrative Order NSP143-B (L) (SD) is hereby amended, authorizing Plantation to simultaneously dedicate Jalmat gas production to the 235.98-acre non-standard Jalmat gas spacing unit from its above-described R. W. Cowden "C" Well No. 4 (API No. 30-025-10903) in Unit "C" of Section 31 and proposed R. W. Cowden "C" Well No. 10 (API No. 30-025-36771) in Lot 1 (Unit C) of Section 31.

All provisions of Division Administrative Order NSP-143-B (L) (SD) not in conflict with this order 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,



Mark E. Fesmire, P. E.  
Director

MEF/ms

cc: New Mexico Oil Conservation Division - Hobbs  
Roco Production Inc. - Midland, Texas

File: NSP-143  
NSP-143-A (L) (SD)  
NSP-143-B (L) (SD)  
NFL-71

NSP-1335





# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

August 21, 2006

**Mark E. Fesmire, P.E.**  
Director  
Oil Conservation Division

**Plantation Operating, L.L.C.**  
2203 Timberloch Place, Suite 229  
The Woodlands, Texas 77380

**Attention: John Allred, P.E.**  
*jallred@plantationpetro.com*

**REVISED: AMENDED Division Administrative Order NSP-143-B (L) (SD)**

Dear Mr. Allred:

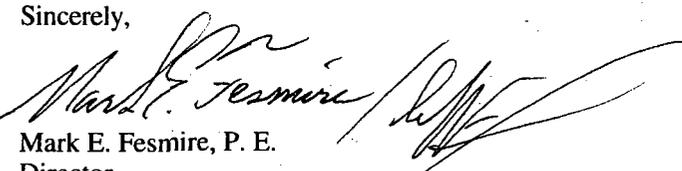
Reference is made to the following: (i) your e-mail to Mr. Michael E. Stogner, Staff Engineer with the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico Wednesday, August 16, 2006, which is hereby entered into the Division's administrative database as administrative application reference No. pMES0-623355598; and (ii) the Division's records in Hobbs and Santa Fe: all concerning AMENDED Division Administrative Order NSP-143-B (L) (SD) issued on Division administrative application reference No. pMES0-621637048 and dated August 4, 2006.

The API Number for Plantation Operating, L.L.C.'s proposed R. W. Cowden "C" Well No. 10 as shown in the second and third paragraphs on page 2 of said Division administrative order as "~~30-025-36771~~" shall revised to accurately read "~~30-025-37969~~."

The revision set forth in this order shall be entered retroactively as of August 4, 2006; further, all other provisions of AMENDED Division Administrative Order NSP-143-B (L) (SD) issued by the Division on August 4, 2006 shall remain in full force and effect 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,

  
Mark E. Fesmire, P. E.  
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs  
Roco Production Inc. – Midland, Texas

File: NSP-143 – *Division reference No. pNSP0-001432002*  
NSP-143-A (L) (SD) – *Division reference No. p2002-NSP000143*  
NSP-143-B (L) (SD) – *Division reference No. p2002-nsp00014b*  
AMENDED NSP-143-B (L) (SD) – *Division reference No. pMES0-621637048*  
NFL-71  
NSP-1335