



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

July 15, 1997

Rand Paulson Oil Company, Inc.
4950 N. O'Connor Blvd.
Suite 270
Irving, Texas 75062
Attention: David Brooks

Administrative Order DD-188

Dear Mr. Brooks:

Reference is made to your application dated June 11, 1997 for authorization to complete its A. J. "6" Well No. 1 (API No. 30-025-33763) by side tracking off of the vertical portion of the wellbore and directionally drill to a pre-determined bottomhole gas well location in order to further test the Atoka formation underlying the S/2 equivalent of irregular Section 6, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico.

The Division Director Finds That:

- (1) The subject application has been duly filed under the provisions of Rule 111.D and E of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10388, issued by the Oil Conservation Commission in Case 11,274 on June 13, 1995;
- (2) The A. J. "6" Well No. 1 was drilled earlier this year to a total depth ("TD") of 13,170 feet; a production string of 5-1/2 inch casing was set to TD; however the well tested non-commercial in three separate sets of perforations all within the Pennsylvanian interval;
- (3) The proposed horizontal extension into the Atoka formation is an economical attempt to test for gas production elsewhere within a standard 317.08-acre gas spacing and proration unit that comprises Lots 17 and 18, the E/2 SW/4, and the SE/4 (S/2 equivalent) of said irregular Section 6;
- (4) Any Atoka gas production encountered in this well would be considered "wildcat" production and would therefore be subject to the statewide rules and regulations for gas wells to all horizons of Wolfcamp age or older, as promulgated by Rule

104.B(1)(a), which provides for 320-acre gas spacing and proration units, or drilling units, and requires that wells be located no closer than 660 feet to the nearest side boundary of the designated tract nor closer than 1650 feet to the nearest end boundary, nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary thereon;

- (5) The applicant/operator proposes to complete the subject wellbore by milling a window in the 5-1/2 inch production casing, kick-off in a south-southeasterly direction at an approximate depth of 12,380 feet, build angle at a rate of 35.8 degrees per 100 feet until a deviation of 90 degrees is obtained, and continue to drill horizontally in the Atoka formation a lateral distance of 250 feet;
- (6) The applicable drilling window or "producing area" for said wellbore should include that area within the NW/4 SE/4 (Unit R) of said irregular Section 6 that is no closer than 660 feet to the quarter section line to the north, nor closer than 330 feet from any of the three quarter-quarter section lines to the east, south and west; and,
- (7) It appearing the applicant has satisfied all of the appropriate requirements prescribed in said Rule 111.D and E, the subject application should be approved and the well should be governed by the provisions contained within this order and all other applicable provisions of Division General Rule 111.

IT IS THEREFORE ORDERED THAT:

(1) The operator, Rand Paulson Oil Company, Inc., is hereby authorized to complete its A. J. "6" Well No. 1 (API No. 30-025-33763), located at a standard surface gas well location 1980 feet from the South and East lines (Unit R) of irregular Section 6, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico, by milling out a window in the 5-1/2 inch production casing string and kicking-off at a depth of 12,380 feet in a south-southeasterly direction, building angle at a rate of 35.8 degrees per 100 feet until a deviation of 90 degrees is obtained, and continue drilling horizontally in the Atoka formation a lateral distance of 250 feet.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations in said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

PROVIDED FURTHER THAT during or upon completion of directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and

course, may be determined.

(2) The applicant shall notify the supervisor of the Hobbs district office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Hobbs offices of the Division upon completion.

(3) Lots 17 and 18, the E/2 SW/4, and the SE/4 (S/2 equivalent) of said irregular Section 6 is to be dedicated to said to form a standard 317.08-acre gas spacing and proration for said interval.

(4) The "producing area" for said wellbore shall include that area within the NW/4 SE/4 (Unit R) of said Section 6 that is no closer than 660 feet to the quarter section line to the north, nor closer than 330 feet from any of the three quarter-quarter section lines to the east, south and west.

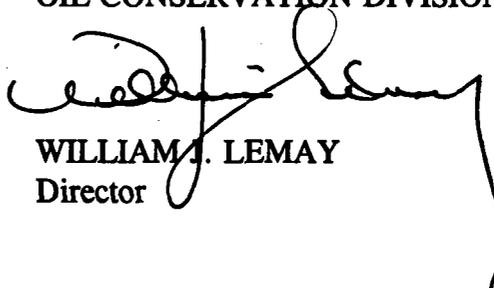
(5) The operator shall comply with all requirements and conditions set forth in Division General Rule 111.E(2) and any applicable requirements in 111.D and F and 104.B.

(6) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

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

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

WJL/MES/kv

cc: Oil Conservation Division - Hobbs

DD-Rand

Received 6-12-97

Susp. 7-2-97

Released 7-15-97

July 15, 1997

Rand Paulson Oil Company, Inc.
4950 N. O'Connor Blvd.
Suite 270
Irving, Texas 75062

Attention: David Brooks

Administrative Order DD-¹⁸⁸~~****~~

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wells to all horizons of Wolfcamp age or older, as promulgated by Rule 104.B(1) (a), which provides for 320-acre gas spacing and proration units, or drilling units, and requires that wells be located no closer than 660 feet to the nearest side boundary of the designated tract nor closer than 1650 feet to the nearest end boundary, nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary thereon;

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(5) The operator shall comply with all requirements and conditions set forth in Division General Rule 111.E(2) and any applicable requirements in 111.D and F and 104.B.

(6) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

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

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

WJL/MES/kv

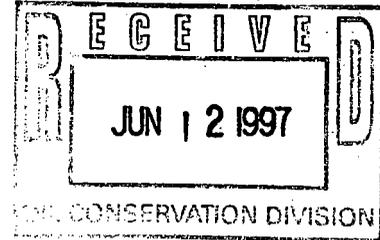
cc: Oil Conservation Division - Hobbs

DD 7/2/97

June 11, 1997

Mr. David Catanach
State of New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: AJ 6 Well No. 1
South 317.08 acres of Section 6-T16S-R35E
Lea County, New Mexico



Dear Mr. Catanach:

Rand Paulson Oil Company, Inc. hereby requests a permit to directionally drill the referenced well from a surface location of 1980' from the South line and 1980' from the East line of Section 6 to a bottom hole location of 1650' from the South line and 1650' from the East line of Section 6. Said well shall be drilled to a total verticle depth of 12,540' to test the Morrow Formation. In order to minimize economic waste, Rand Paulson Oil Company, Inc. intends to use the existing well bore and directionally drill said well to a more favorable bottom hole location.

Enclosed are the required plats, surveys and logs. All offset operators as indicated on the attached plat have been sent notification of this permit application via certified mail, return receipt requested on June 11, 1997.

Aloha Horizontal Test

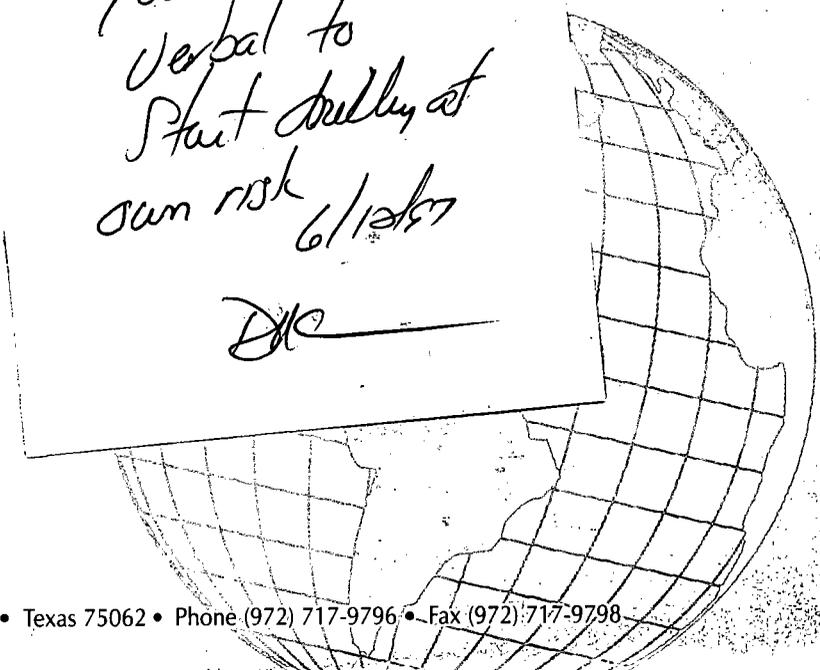
Very truly yours,

David Brooks

David Brooks
Land Manager

*Gave David Brooks
Verbal to
Start drilling at
own risk
6/12/97*

DJC





DIRECTIONAL
INVESTMENT
GUIDANCE, INC.

P.O. BOX 7238

MIDLAND, TEXAS 79708

915/697-1490

June 4, 1997

Rand Paulson Oil & Gas Company
J.W. Mulloy Associates, Inc
508 W. Wall, Ste. 100
Midland, Texas 79701

Attn: J.W. Mulloy

RE: AJ "6" #1
Lea County, New Mexico

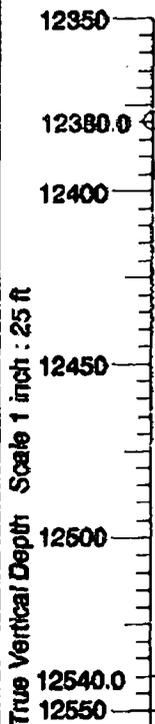
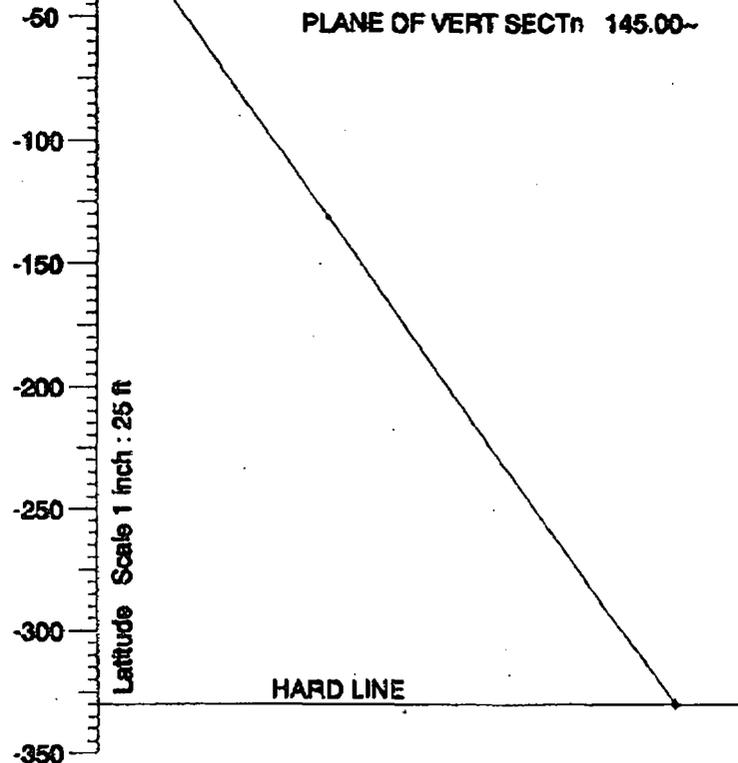
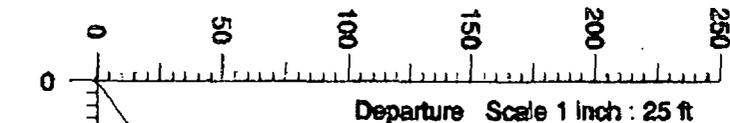
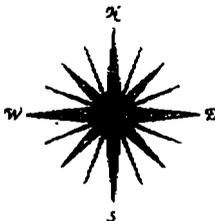
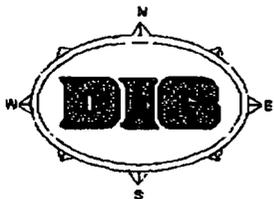
Dear Mr. Mulloy

In response to your request for a cost estimate for Casing Whipstock services on the AJ "6" No. 1 Well located in Lea County, New Mexico, we respectfully submit the following proposal.

**CASING WHIPSTOCK RECOMMENDED PROCEDURE
5-1/2" 20# CASING**

1. Set Cast Iron Bridge Plug at 12,389' (3' below casing collar @ 12,386').
2. Go in hole with 5-1/2" Bottom Trip Casing Whipstock and Starting Mill and set Casing Whipstock. Shear Pin and Mill approximately 2' to start window and to mill off setting lug. Trip out of Hole.
3. Go in Hole with 4-1/2" Cutrite Speed Mill and Mill approximately 8' and trip out of hole.
4. Go in hole with 4-1/2" Cutrite Speed Mill and 4-1/2" String Mill and finish cutting Window (approximately 3') and Drill 5' to 8' of Rat Hole. Trip out of hole for horizontal assembly.

RAND PAULSON OIL & GAS COMPANY
 AJ "6" #1
 LEA COUNTY, NEW MEXICO



KOP Br 35.8~/100
 MD 12380.0~

WELL PROPOSAL						
MD	TVD	VS	INC	DIR	LAT	DEP
12380.0	12380.0	0.0	0.0	145.00	0.0	0.0
12631.4	12540.0	160.0	90.0	145.00	-131.1	91.8
12874.2	12540.0	402.9	90.0	145.00	-330.0	231.1

TARGET DETAILS			
No	TVD	Lat	Dep
1	12540.0	-330.0	231.1

160.0

EOC MD 12631 90.0~

HOLD 90.0~

MD 12874 90.0~
 TD 12540.0 TVD

Vertical Section Scale 1 inch : 25 ft

PLOT DATE 08-11-1997

AJG AJ 6 #1 6-11-97

Plane of Vertical Section 145.00

Section 1 (Const Build/Turn)

MD	Inc	Dir	Tvd	Vsec	Lat	Dep	Values to be applied			
							Build	Turn	Dleg	T Face
12380.0	0.00	145.00	12380.0	0.0	0.0	0.0	35.8	0.0	35.8	0.0
12400.0	7.16	145.00	12399.9	1.2	-1.0	0.7	35.8	0.0	35.8	0.0
12450.0	25.06	145.00	12447.8	15.1	-12.3	8.6	35.8	0.0	35.8	0.0
12500.0	42.96	145.00	12489.1	42.9	-35.2	24.6	35.8	0.0	35.8	0.0
12550.0	60.86	145.00	12519.8	82.1	-67.3	47.1	35.8	0.0	35.8	0.0
12600.0	78.76	145.00	12537.0	128.8	-105.5	73.9	35.8	0.0	35.8	0.0

Section 2 (Const Build/Turn)

MD	Inc	Dir	Tvd	Vsec	Lat	Dep	Values to be applied			
							Build	Turn	Dleg	T Face
12631.4	90.00	145.00	12540.0	160.0	-131.1	91.8	0.0	0.0	0.0	0.0
12650.0	90.00	145.00	12540.0	178.6	-146.3	102.5	0.0	0.0	0.0	0.0
12700.0	90.01	145.00	12540.0	228.6	-187.3	131.1	0.0	0.0	0.0	0.0
12750.0	90.01	145.00	12540.0	278.6	-228.3	159.8	0.0	0.0	0.0	0.0
12800.0	90.01	145.00	12540.0	328.6	-269.2	188.5	0.0	0.0	0.0	0.0
12850.0	90.02	145.00	12540.0	378.6	-310.2	217.2	0.0	0.0	0.0	0.0
12874.2	90.02	145.00	12540.0	402.9	-330.0	231.1	0.0	0.0	0.0	0.0

DISTRICT I
P.O. Box 1660, Hobbs, NM 88241-1660

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 1 Copies
Pcc Lease - 3 Copies

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

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Wildcat
Property Code	Property Name A.J. "6"	Well Number 1
OGRID No. 159123	Operator Name RAND PAULSON OIL COMPANY INC.	Elevation 4055

Surface Location

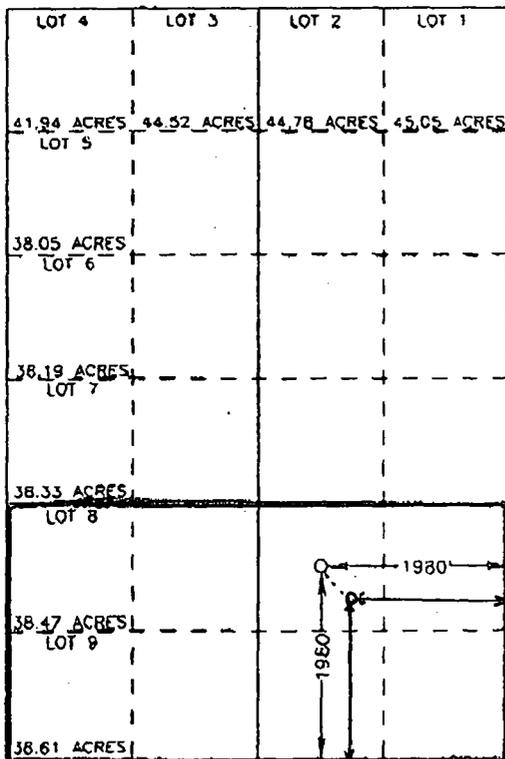
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
R	6	16 S	35 E		1980	SOUTH	1980	EAST	LEA

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
R	6	16S	35E		1650	Southe	1650	East	Lea

Dedicated Acres +320	Joint or Infill N	Consolidation Code PENDING	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 to true and complete to the best of my knowledge and belief.

Signature

David Brooks

Printed Name

Land Manager

Title

June 10, 1997

Date

SURVEYOR CERTIFICATION

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 to true and correct to the best of my belief.

DEC. 12, 1996

Date Surveyed

Signature & Seal

Professional Surveyor



Certificate No. JOHN W. WEST
RONALD EIDSON
STATE OF NEW MEXICO

DMCC

676
J239
264

Great Western Drilling, Co. N/2 Sec. 1-T16S-R34E	Rand Paulson Oil Company, Inc. Domain Energy Production Corp. N/2 Sec. 6-T16S-R35E	Sugarberry Oil & Gas Lynn Medlin Billy Medlin Minnie Taylor June D. Speight N/2 Sec. 5-T16S-R35E
Daisey C. Clayton G. Dean Sowell S/2 Sec. 1-T16S-R34E	Rand Paulson Oil Company, Inc. Domain Energy Production Corp. AJ 6 Well No. 1 (Surface Location) S/2 Sec. 6-T16S-R35E	Marathon Oil Company State of New Mexico Scott Wilson S/2 Sec. 5-T16S-R35E
Beulah Wood Kianey Family Tr. William L. Evans, Trustee Esando, Ltd. Jo Lee Stillwell Norman D. Newbury, et ux Mary E. Schutz Smith Martin R. Swift N/2 Sec 12-T16S-R34E	Rand Paulson Oil Company, Inc. Domain Energy Production Corp. Enron Oil & Gas Exxon, USA N/2 Sec. 7-T16S-R35E	Kaiser-Francis Oil Company N/2 Sec. 8-T16S-R35E

Francis W. Cook
Hazel I. Kircher
Raymond F. Kircher
Edward M. Lancaster
Corinne Kircher
Ann Swift Evans
Laura Pendleton
Claude Headen, Jr.
Estate of Kara Denise Martin
Norman D. Newbury, et ux
Leroy Sumruld



DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION P.O. Box 2088

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

Santa Fe, New Mexico 87504-2088

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

WELL API NO. 30-025-33763

5. Indicate Type of Lease STATE [] FEE [X]

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE 'APPLICATION FOR PERMIT' (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

A. J. 6

1. Type of Well: OIL WELL [] GAS WELL [X] OTHER

8. Well No. 1

2. Name of Operator Rand Paulson Oil Company, Inc.

9. Pool name or Wildcat Wildcat

3. Address of Operator 508 W. Wall, Ste. 100 Midland, TX 79701

4. Well Location Unit Letter R : 1980 Feet From The East Line and 1980 Feet From The South Line

Section 6 Township 16-S Range 35-E NMPM Lea County

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

4055' GR

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

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK [] PLUG AND ABANDON [] TEMPORARILY ABANDON [] CHANGE PLANS [] PULL OR ALTER CASING [] OTHER: []

REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [] CASING TEST AND CEMENT JOB [] OTHER: Perforate & Test [X]

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.

- 3-12-97 PERFORATED 13,114' - 131'. 34 Holes. Acidized with 750 gals. No production. Set CIBP @ 13,020' & cap with 35' cement.
3-14-97 PERFORATED 12,532' - 553' & 12,556 - 565'. 60 Holes. Acidized with 9000 gals in 3 attempts. No production.
4-01-97 SET CIBP @ 12,480' & cap with 35' cement. PERFORATED 11,404' - 11,412'. 16 Holes. Acidized with 6500 gals acid. No production.
4-05-97 SET CIBP @ 11,355' & cap with 35' cement. PERFORATED 11,237' - 250'. 28 Holes. Acidized with 7000 gals in 2 stages. REC 80 BLW. Shut well in until deciding next operation.

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

SIGNATURE [Signature] TITLE Agent DATE 4-30-97

TYPE OR PRINT NAME O. H. Routh TELEPHONE NO 915-687-03

(This space for State Use)

APPROVED BY [Signature] TITLE Geologist DATE MAY 06 1997

CONDITIONS OF APPROVAL, IF ANY:

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

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

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

WELL API NO.	30-025-33763
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	7. Lease Name or Unit Agreement Name AJ 6
2. Name of Operator Rand Paulson Oil Company, Inc.	8. Well No. 1
3. Address of Operator 508 W. Wall Ste 100 Midland, Texas 79701	9. Pool name or Wildcat Wildcat
4. Well Location Unit Letter <u>R</u> : <u>1980</u> Feet From The <u>East</u> Line and <u>1980</u> Feet From The <u>South</u> Line Section <u>6</u> Township <u>16 S</u> Range <u>35-E</u> NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4055 GR	

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

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

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.

1-15-97 MIRU TMBR/Sharp Rig 24. Spud well @ 3:30 PM 1-15-97. Drill 17 1/2 hole to 405'. Set 13 3/8" 54.5# J-55 STC casing @ 405'. Cemented w/450 sx Class C + 2% CaCl². Circ 15 sx to surf. WOC 12 hrs.

1-16-97 Cut off casing. NU head and BOP. Test casing and BOP to 1000 psi.

1-17 to

1-23-97 Drill 11" hole to 4595'. Ran 8 5/8" 32# J-55 and S-80 to 4595'. Cmt w/1100 sx C + 3% SMS + 200 sx C Neat. WOC 8 hrs. Ran temp survey. TOC @ 429'. Cut off csg. NU head and BOP. Test BOP 2500 psi. OK. Test casing - 1500 psi. OK.

1-25-97 Drilling 7 7/8" hole @ 5270'. Drilling ahead.

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

SIGNATURE [Signature] TITLE Agent DATE 1-27-97

TYPE OR PRINT NAME O. H. Routh TELEPHONE NO. 915/687-03

(This space for State Use)

APPROVED BY [Signature] TITLE DISTRICT 1 SUPERVISOR DATE JAN 30 1997

CONDITIONS OF APPROVAL, IF ANY:

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-101
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. Rand Paulson Oil Company, Inc. 508 W. Wall, Ste 100 Midland, Texas 79701		' OGRID Number 159123
		' API Number 30-025-33763
' Property Code 20129	' Property Name A.J. "6"	' Well No. 1

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
R	6	16-S	35-E		1980	South	1980	East	Lea

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
' Proposed Pool 1 Wildcat					' Proposed Pool 2				

' Work Type Code N	' Well Type Code G	' Cable/Rotary R	' Lease Type Code P	' Ground Level Elevation 4055
' Multiple NO	' Proposed Depth 13,500'	' Formation Chester-U.Miss	' Contractor TMBR/Sharp	' Spud Date Rig Available

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8"	54.548#	400	400	Surface
11	8 5/8"	32#	4600	1100	Surface
7 7/8	5 1/2"	17#	13,500	850	8500'

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Propose to drill an upper Mississippian well to 13,500'. Cement will be circulated to surface on 13 3/8" and 8 5/8". Plan to test significant shows and evaluate with adequate logging program. Completion or abandonment will be performed in accordance with prudent practices and regulatory requirements. A double ram series 900 BOP and choke manifold will be used from 8 5/8" casing to total depth.

Permit Expires 1 Year From Approval
 Date Unless Drilling Underway

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>O. H. Routh</i>		OIL CONSERVATION DIVISION	
Printed name: O. H. Routh		Approved by: <i>Jerry Serke</i>	
Title: Agent		Title: DISTRICT 1 SUPERVISOR	
Date: 12/30/96		Approval Date: JAN 07 1997	
Phone: 915/687-0323		Expiration Date:	
		Conditions of Approval: Attached <input type="checkbox"/>	

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

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

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 III
000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33763	Pool Code ✓	Pool Name WILDCAT
Property Code 20129	Property Name A.J. "6"	Well Number 1
OGRID No. 159123	Operator Name RAND PAULSON OIL COMPANY INC.	Elevation 4055

Surface Location

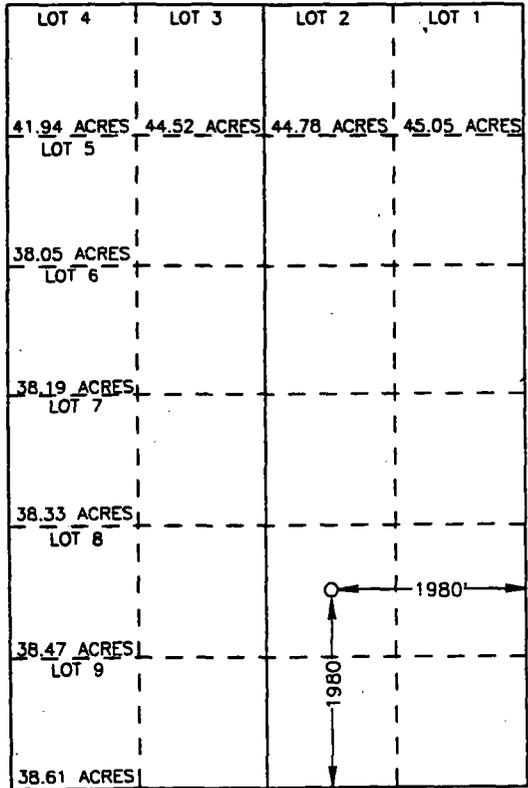
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
R	6	16 S	35 E		1980	SOUTH	1980	EAST	LEA

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 + 320	Joint or Infill N	Consolidation Code PENDING	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



OPERATOR CERTIFICATION

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

[Signature]
Signature
O.H. ROUTH
Printed Name
AGENT
Title
12-30-96
Date

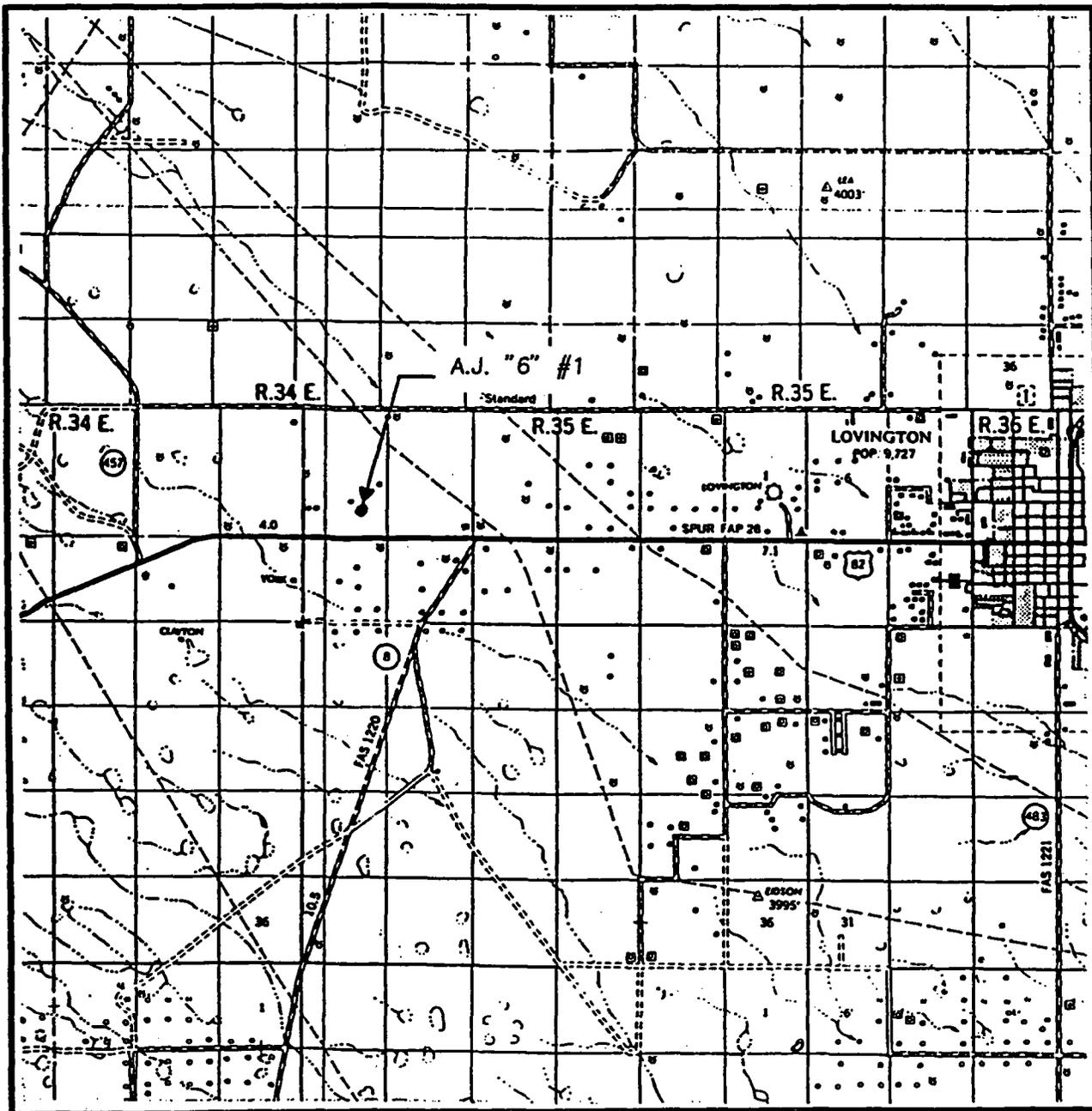
SURVEYOR CERTIFICATION

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.

DEC. 12, 1996
Date Surveyed
[Signature] J. EIDSON
Signature & seal of Professional Surveyor
DMCC
32299
96-11-1649
12-16-96

Certificate No. JOHN W. WEST 676
BOB J. EIDSON 3239
JAMES EIDSON 12641

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 6 TWP. 16-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1980' FSL & 1980' FEL

ELEVATION 4055

OPERATOR A.J. "6"

LEASE RAND PAULSON OIL COMPANY INC.

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

WRS COMPLETION REPORT

COMPLETIONS SEC 6 TWP 16S RGE 35E
 30-T-0026 06/20/97 30-025-33763-0000 PAGE 1

NMEX LEA * 1980FSL 1980FEL SEC
 STATE COUNTY FOOTAGE SPOT
 RAND PAULSON OIL WD WD
 OPERATOR WELL CLASS INIT FIN
 1 AJ '6'
 WELL NO. LEASE NAME
 4069KB 4055GR WILDCAT
 OPER ELEV FIELD/POOL/AREA
 API 30-025-33763-0000
 LEASE NO. PERMIT OR WELL I.D. NO.
 01/15/1997 06/10/1997 ROTARY VERT TA
 SPUD DATE COMP. DATE TYPE TOOL HOLE TYPE STATUS
 13500 MSSP TMBR SHARP DRLG 24 RIG SUB 13
 PROJ. DEPTH PROJ. FORM CONTRACTOR
 DTD 13170 FM/TD MSSP
 DRILLERS T.D. LOG T.D. PLUG BACK TD OLD T.D. FORM T.D.

LOCATION DESCRIPTION

2 MI W LOVINGTON, NM
 1.25 MI N/10674 (PSLV) OIL PROD IN TOWNSEND FIELD

CASING/LINER DATA

CSG 13 3/8 @ 400
 CSG 8 5/8 @ 4640
 CSG 5 1/2 @13170

DRILLING MEDIA /TYPE,DEPTH/

3914	10.4	4100	9.5	6706	8.4	9978	9.0	PPG
11000	9.3	11750	9.0	12100	9.5			PPG

DRILLING PROGRESS DETAILS

RAND PAULSON OIL
 4950 N OCONNOR BLVD
 STE 270
 IRVING, TX 75062
 972-717-9798
 01/07 LOC/1997/
 01/14 PREP MIRT
 01/20 DRLG 3914, ANHY, MUD WT 10.4, VIS 36,
 PH 11
 01/21 DRLG 4100, MUD WT 9.5, VIS 33
 01/27 DRLG 6706, DOLO, MUD WT 8.4, VIS 28
 02/03 DRLG 9978, DOLO, LM, MUD WT 9, VIS 39
 02/13 DRLG 11000, MUD WT 9.3, VIS 37

CONTINUED IC# 300257001797



COMPLETIONS 30-T-0026 06/20/97 SEC 6 TWP 16S RGE 35E
30-025-33763-0000 PAGE 2

RAND PAULSON OIL
1 AJ '6' WD WD

DRILLING PROGRESS DETAILS

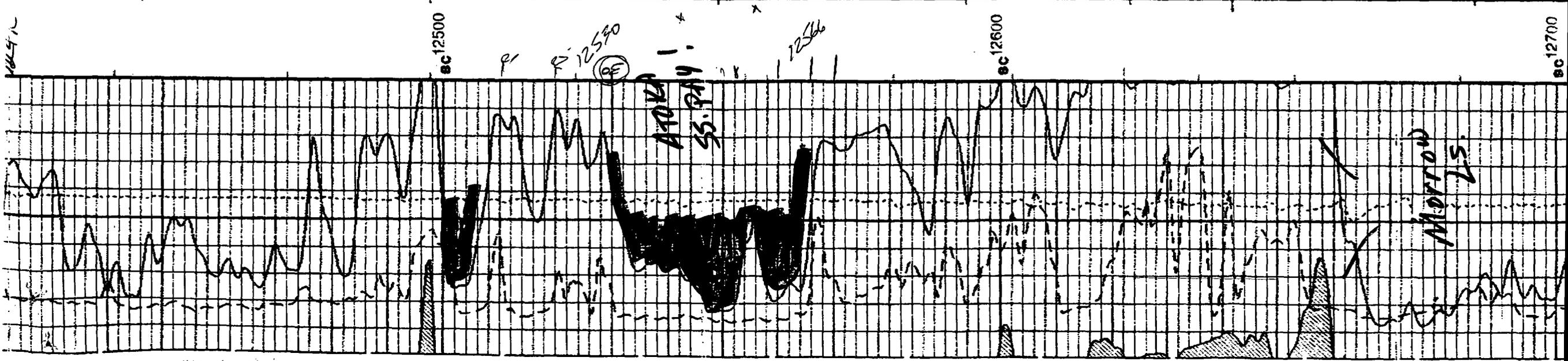
02/21 DRLG 11750, MUD WT 9, VIS 40
02/27 DRLG 12100, MUD WT 9.5, VIS 45
03/06 13170 TD, WOCT
03/18 13170 TD, MICT
03/27 13170 TD, TSTG
04/22 13170 TD, SI WOO
06/16 OPER RPTS COMP ATTEMPT IN 3 ZONES, DETAILS NOT
RELEASED
RIG REL 03/05/97
06/16 13170 TD,
COMP 6/10/97, TEMP ABND
NO CORES OR TESTS RPTD

Sec : 06 Twp : 16S Rng : 35E Section Type : LONG

17 38.47 Federal owned	K 40.00 Fee owned	J 40.00 Fee owned P	I 40.00 Fee owned
18 38.61 Federal owned	N 40.00 Fee owned	O 40.00 Fee owned A	P 40.00 Fee owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

24
77.08
317.08 →



ec 12500

ec 12560

APR 1
SS. PAV.

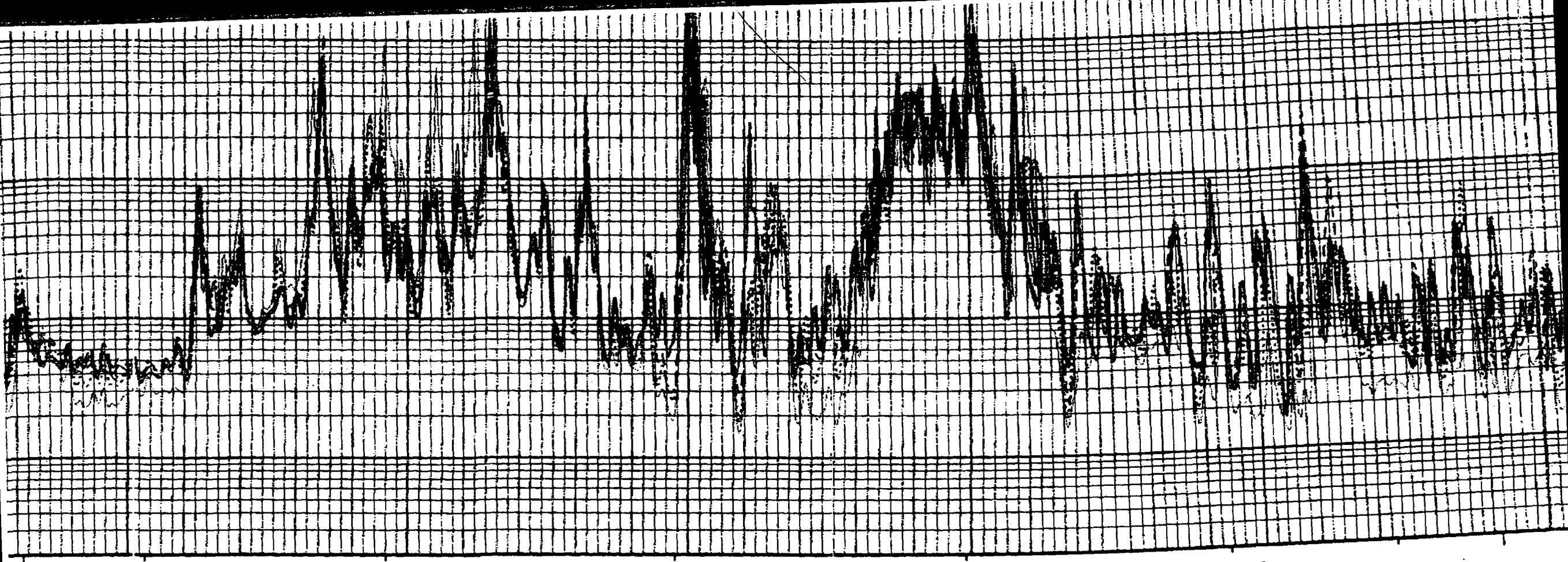
12566

ec 12600

Morrow
15

ec 12700

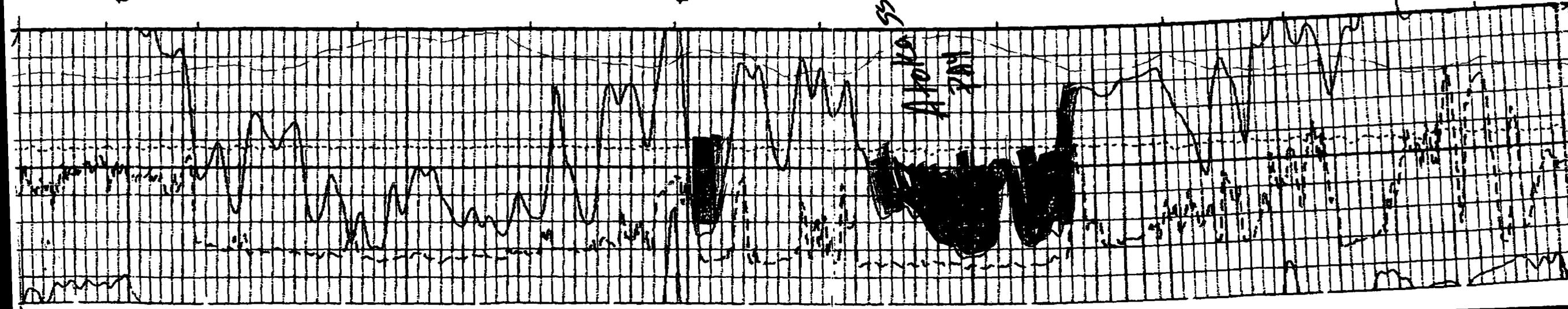
DRILLING RATE		PORO	LITHOLOGY	CUTFLUR	ANALYSIS LOG			REMARKS
min/ft		0-25%		tfg	Total Gas and Chromatograph			W - VIS - WL - C - PH - CHL
12500								LS- WH TN BN CRMLTGY VFXN DNS CHKY TR SDY IP PYR TR FOSS MOIT FRM
20								SD- CLR FROSTWH F- MGN CONS CALC MATX TR QIZ GNS SUB- ANG PYR INCL- US POR SORTED SURVEY GAS
DS-4 1/4 VOB 25,000								SH- DRGY GY BLK SM TXI SILTY IP TR SDY CARB FLKY- SPLNTRY FRM BRT TR- CHI- M LKYWH CLR TRANSL VIT
40								SD- CLR FROSTWH WH F- MGN CONS FRI A CALC TR LARGE QIZ GNS SUB- ANG PYR POOR- MED SORTED 10% YEL FLUO FAIR YEL
DS 4 3/4								SLOW CUT SD- CLR FROSTWH MED- CRSE QIZ GNS UNCONS FRI A CALC TR BLK & BN STN 5% 10% YEL FLUO FAIR- POOR YEL CUT
5 10 15					1200	2400	3600	SD- CLR FROSTWH BN MED CRSE GNS UNCONS QIZ C I GN POR BN STN CALC SUB- ANG WELL
GAS KICK ING OVER BEL NIPPLE								SORTED 10% YEL FLUO FAIR YEL STRM CUT CO AT (12565) 9.5-45-5.8-1/32-10.5 -10,000
CO 18.0 26.0 VOB 35,000 DS 4 3/4 RPM 60								CHI- BLU WHI SEM TRAN - SL VIT
Rate Scale Change to: 650								SURVEY DOWN GAS
20 30								LS- WHI TN BUFF OCC GY CHKY RTHY SFT MOIT & W SH NCD INCLUS- VF XN DNS TR W PYR INCLUS
CHNG 0-30 SECRS VOB 12-15,000 RPM 60 PP 1650								EST LAG TIME 100 MNS
Rate Scale Change to: 90								TR SD- CLR FROST WHI MED- CRSE GN UNCONSOL- FRI QIZ SUB- ANG- ANG GNS TR- FREE PYR
20 30 60								SURVEY DOWN GAS
Rate Scale Change to: 20CP SCALE CHNG 0-30 SECRS VOB 10-12,000 RPM 60 PP 1650								POSSIBLE SURVEY GAS RECYCLE SH- DRGY GY BLK SILTY IP CARB TR SDY FLKY FRM
10 20 30								LS- TN BN LTGY VF- FXN DNS FOSS RTHY TR PYR ARG FRM
VOB 40,000								
60								
80								



12400

12500

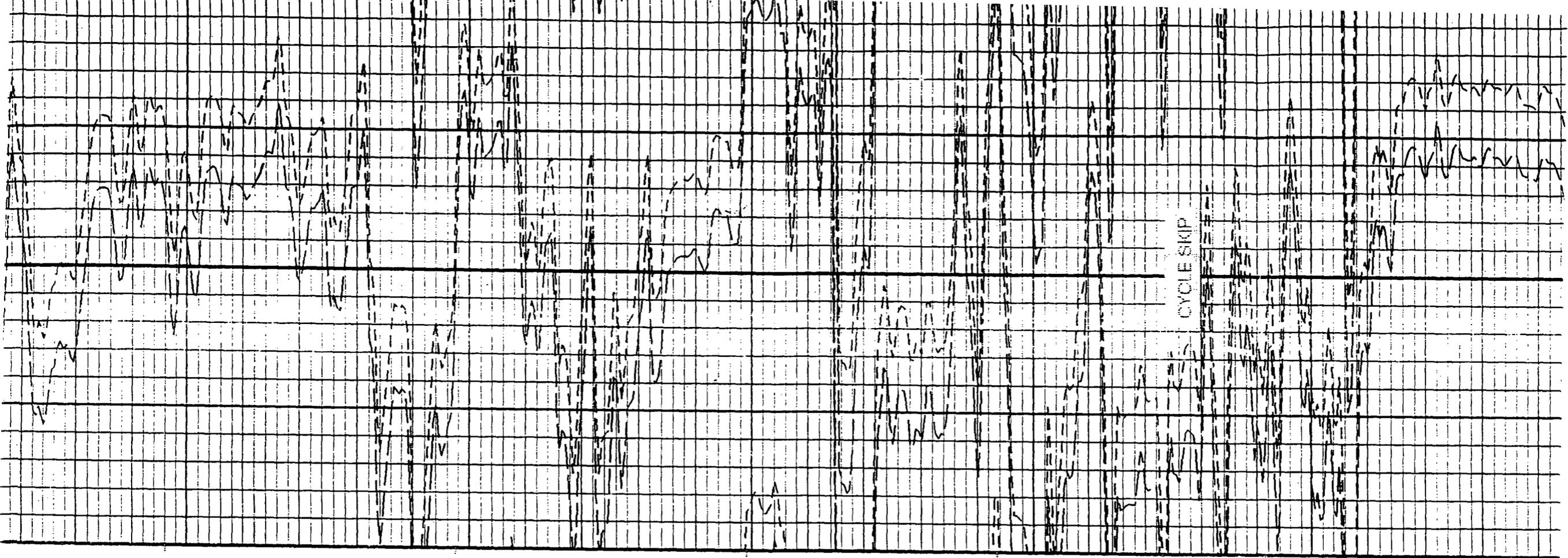
12600



SS

A-1010
PAT

A-1010
PAT



12500



12600

