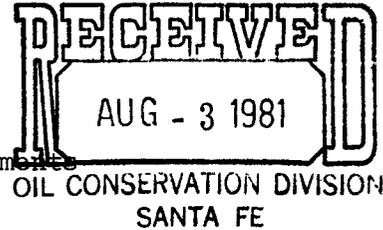


Energy Reserves Group, Inc.  
P.O. Box 3280  
Casper, Wyoming 82602  
Phone 307 265 7331



July 31, 1981

State of New Mexico  
Oil Conservation Commission  
Box 2088  
Santa Fe, New Mexico 87501



Re: Request for exception to Well Location Requirements

Gentlemen:

Energy Reserves Group, Inc. respectfully requests approval for the below described well location due to topographical conflicts.

The site as originally staked fell directly in the Kutz Canyon West which is a continuously flowing drainage. Summer rains usually create flash flooding down this wash. It is necessary to place the well location at the described footage to minimize the possibility of flooding. Please see attached plat and topo map for a description of surface features.

E. H. Pipkin Well No. 20  
970' FNL 370' FEL  
Section 12, T27N-R11W  
San Juan County, New Mexico

All Offset Operators have been notified by Certified Mail as of July 16, 1981.

If there are any problems or questions please call.

Very truly yours,

ENERGY RESERVES GROUP, INC.

William J. Fiant  
Field Services Administrator

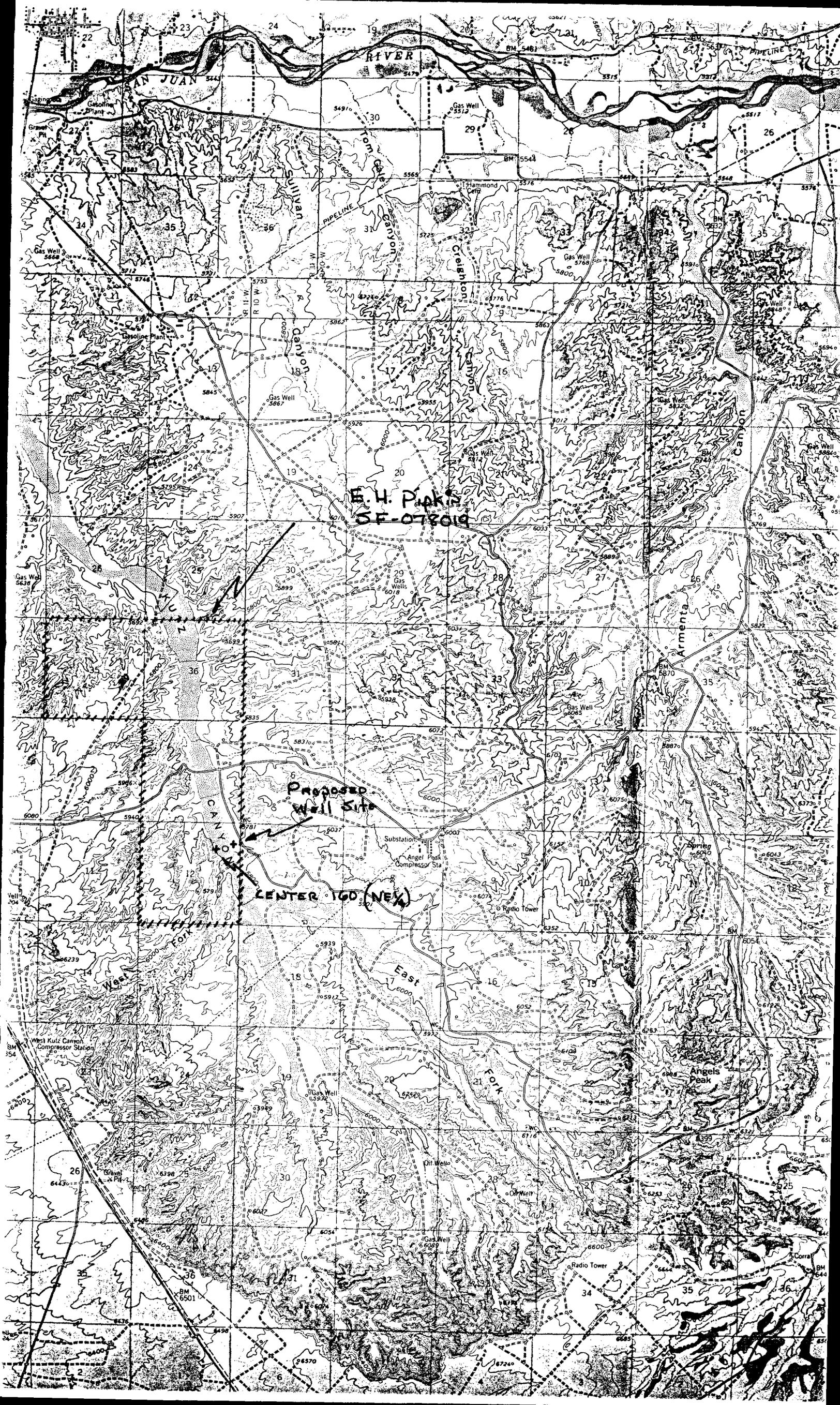
WJF/ef

cc: Oil Conservation Commission  
1000 Rio Brazos Road  
Aztec, New Mexico 87401

*NSL  
Rule 104 F  
Kutz Canyon  
Fruitland  
Casper  
Western Oil Co  
8-23-81*

*NSL - 1400*





E. H. P. P. K. S.  
SF-078019

Proposed Well Site

CENTER 100 (NEW)

East Fork

Fork

Angels Peak

Radio Tower

Corral

RIVER

AN JUAN

JENNIFER

CAVON

Creighton

Armenta

West Kutz Canyon Compressor Station

Substation  
Angel Peak Compressor Sta

Spring

Ort Well

Gas Well

Gas Well

Gas Well

Vell

BM 554

BM 5501

BM 5481

BM 5544

BM 5576

BM 5570

BM 5570

BM 5570

BM 5570

BM 5570

BM 5570

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# ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE                     

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated                       
for the                      Operator                      Lease and Well No.                      Unit, S-T-R

and my recommendations are as follows:

Yours truly,



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

July 22, 1981

BRUCE KING  
GOVERNOR

LARRY KEHOE  
SECRETARY

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

Energy Reserves Group  
P. O. Box 3280  
Casper, Wyoming 82602

Re: Application for Non-Standard  
Location: Pipkin Well No. 20  
Sec. 12, T-27-N, R-11-W,  
San Juan County, New Mexico

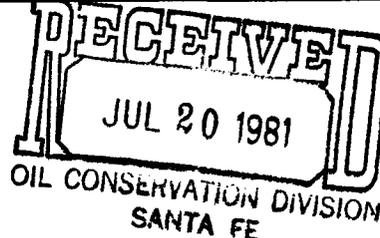
We may not process the subject application for non-standard location until the required information or plats checked below (is) (are) submitted.

- A plat must be submitted clearly showing the ownership of the offsetting leases.
- A statement must be submitted that offset owners have been notified of the application by certified mail.
- A plat must be submitted fully identifying the topography necessitating the non-standard location.
- Other: The topography plat submitted was not readable.

Very truly yours

R. L. STAMETS  
Technical Support Chief

RLS/dr



Energy Reserves Group, Inc.  
P.O. Box 3280  
Casper, Wyoming 82602  
Phone 307 265 7331



July 16, 1981

State of New Mexico  
Oil Conservation Commission  
Box 2088  
Santa Fe, New Mexico 87501

Re: Request for exception to Well Location Requirements

Gentlemen:

Energy Reserves Group, Inc. respectfully requests approval for the below described well location due to topographical conflicts.

The site as originally staked fell directly in the Kutz Canyon West which is a continuously flowing drainage. Summer rains usually create flash flooding down this wash. It is necessary to place the well location at the described footage to minimize the possibility of flooding. Please see attached plat and topo map for a description of surface features.

E. H. Pipkin Well No. 20  
970' FNL 370' FEL  
Section 12, T27N-R11W  
San Juan County, New Mexico

All offset operators have been notified by Certified Mail as of this date.

If there are any problems or questions please call.

Very truly yours,

ENERGY RESERVES GROUP, INC.

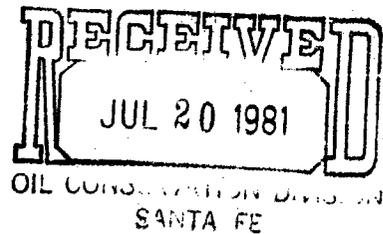
William J. Fiant  
Field Services Administrator

WJF/ef

cc: Oil Conservation Commission  
1000 Rio Brazos Road  
Aztec, New Mexico 87401

cc: Offset Operators

Energy Reserves Group, Inc.  
P.O. Box 3280  
Casper, Wyoming 82602  
Phone 307 265 7331



July 16, 1981

Amoco Production Company  
501 Airport Road  
Farmington, New Mexico 87401

Re: Proposed Exception Well Location

Gentlemen:

Please consider this letter as notification that Energy Reserves Group, Inc. is proposing to drill the below described well location.

The proposed zones of completion are the Fruitland and Pictured Cliffs formations.

E. H. Pipkin Well No. 20  
970' FNL 370' FEL  
Section 12, T27N-R11W  
San Juan County, New Mexico

If you have any objection to this proposal please notify the Director of the New Mexico Oil Conservation Commission in Santa Fe within 20 days upon receipt of this letter.

If there are any questions please call.

Very truly yours,

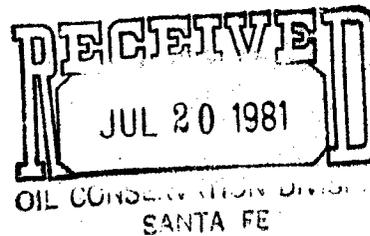
ENERGY RESERVES GROUP, INC.

A handwritten signature in black ink, appearing to read "William J. Fiant".

William J. Fiant  
Field Services Administrator

WJF/ef

cc: State of New Mexico Oil Conservation Commission  
Box 2088  
Santa Fe, New Mexico 87501



Energy Reserves Group, Inc.  
P.O. Box 3280  
Casper, Wyoming 82602  
Phone 307 265 7331



July 16, 1981

El Paso Natural Gas Co.  
P. O. Box 990  
Farmington, New Mexico 87401

Re: Proposed Exception Well Location

Gentlemen:

Please consider this letter as notification that Energy Reserves Group, Inc. is proposing to drill the below described well location.

The proposed zones of completion are the Fruitland and Pictured Cliffs formations.

E. H. Pipkin Well No. 20  
970' FNL 370' FEL  
Section 12, T27N-R11W  
San Juan County, New Mexico

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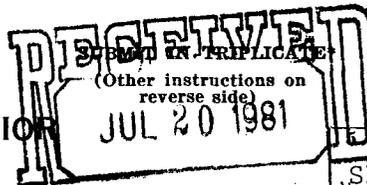
ENERGY RESERVES GROUP, INC.

  
William J. Fiant  
Field Services Administrator

WJF/ef

cc: State of New Mexico Oil Conservation Commission  
Box 2088  
Santa Fe, New Mexico 87501

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY



Form approved.  
Budget Bureau No. 42-R1425.

LEASE DESIGNATION AND SERIAL NO.

SE#078019

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

E. H. Pipkin

9. WELL NO.

20

10. FIELD AND POOL, OR WILDCAT

Kutz Fruitland & West Kutz

Pictured Cliffs

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 12, T27N-R11W

12. COUNTY OR PARISH 13. STATE

San Juan N. Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

Approx. 7-1/2 miles South of Bloomfield, New Mexico

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

370'

16. NO. OF ACRES IN LEASE

2560.96

17. NO. OF ACRES ASSIGNED TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

500'

19. PROPOSED DEPTH

1,780'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5,761' GR

22. APPROX. DATE WORK WILL START\*

July, 1981

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  PLUG BACK

b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER   
 SINGLE ZONE  MULTIPLE ZONE

2. NAME OF OPERATOR  
 Energy Reserves Group, Inc.

3. ADDRESS OF OPERATOR  
 Box 3280, Casper, Wy. 82602

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface 970' FNL 370' FEL (NE/NE)  
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approx. 7-1/2 miles South of Bloomfield, New Mexico

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 5,761' GR

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7"	17#	90'±	Cement to the surface
6-1/4"	4-1/2"	9.5#	1,780'±	Sufficient to protect the OJO Alamo Formation

(Unorthodox spacing)

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED William J. [Signature] TITLE Field Services Administrator DATE 7-14-81

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

**RECEIVED**  
JUL 20 1981

Form C-107  
Revised 10-1-78

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

All distances must be from the outer boundaries of the well.

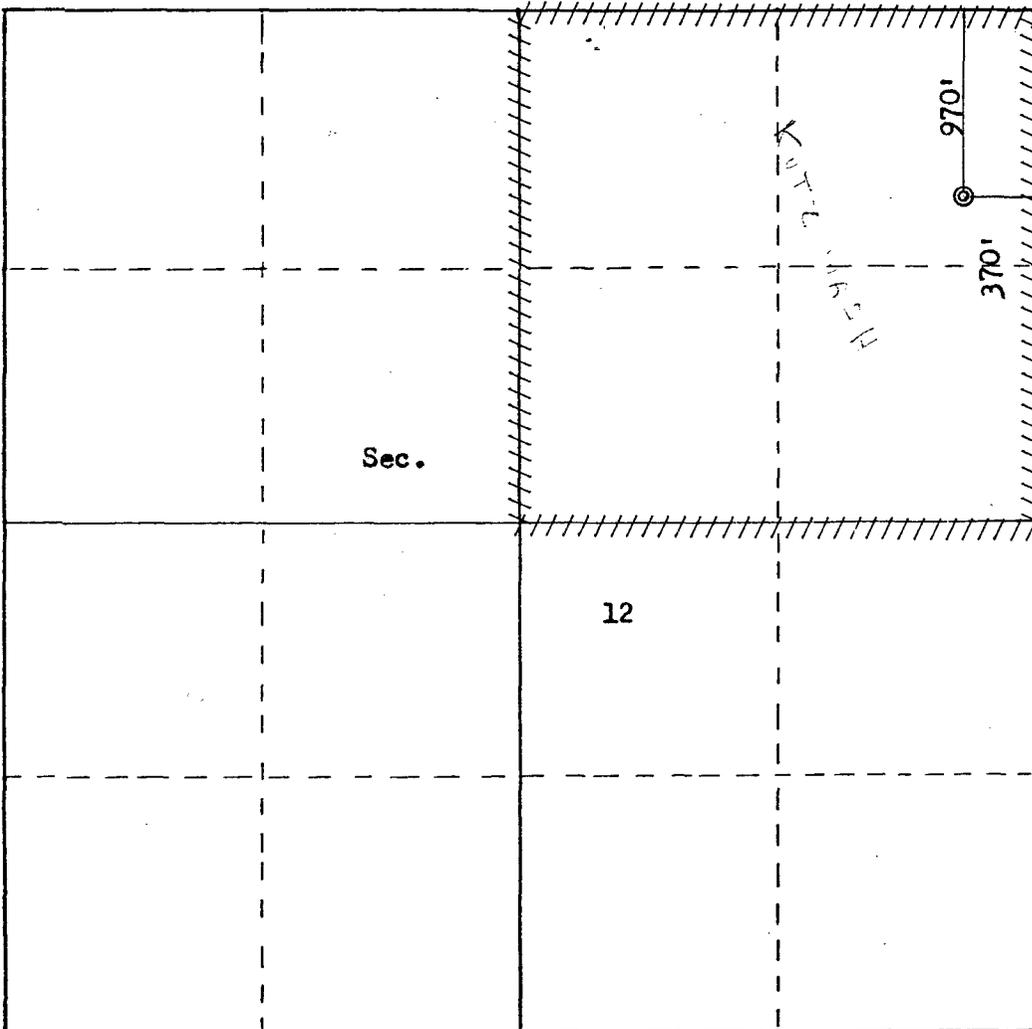
Operator <b>ENERGY RESERVES GROUP</b>		Lease <b>E. H. PIPKIN</b>		OIL CONSERVATION DIVISION <b>SANTA FE</b>		Well No. <b>20</b>
Unit Letter <b>A</b>	Section <b>12</b>	Township <b>27N</b>	Range <b>11W</b>	County <b>San Juan</b>		
Actual Footage Location of Well: <b>970</b> feet from the <b>North</b> line and <b>370</b> feet from the <b>East</b> line						
Ground Level Elev: <b>5761</b>	Producing Formation <b>Fruitland &amp; Pictured Cliffs</b>		Pool <b>Kutz Fruitland West Kutz Pictured Cliffs</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.



Scale: 1"=1000'

<b>CERTIFICATION</b>	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	<i>William J. Kerr</i>
Position	Field Services Administrator
Company	Energy Reserves Group, Inc.
Date	7-14-81
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.	
Date Surveyed	June 14, 1981
Registered Professional Engineer and Land Surveyor	
<i>Fred B. Kerr, Jr.</i>	
Certificate No. MEXICO	
3950 B. KERR, JR.	