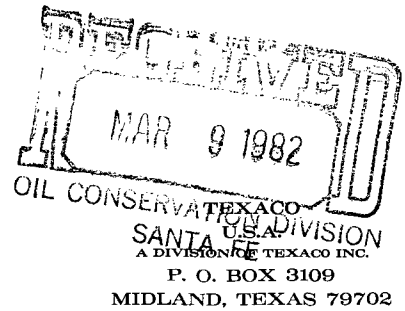




PETROLEUM PRODUCTS



PRODUCING DEPARTMENT

March 4, 1982

EXCEPTION TO UNORTHODOX
PRORATION UNIT
PACE EXPLORATION CO.
RHONDA "PG" STATE WELL NO. 1
TODD UPPER SAN ANDRES FIELD
ROOSEVELT COUNTY, NEW MEXICO

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Texaco Inc. has been advised by Pace Exploration Co. of their application for exception to an unorthodox proration unit for the subject well. Field rules require 320 acre proration units for gas wells in the Todd Upper San Andres Field and since the subject well will only have 160 acres, an exception is needed.

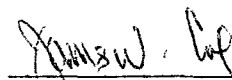
We understand the subject well is located 1980' FSL and 660" FWL of Section 35, T-7-S, R-35-E, Roosevelt County, New Mexico.

Texaco Inc, as an offset operator, waives objection to the application.

Yours very truly,

Alan R. McDaniel
Division Vice President

By


James W. Cox

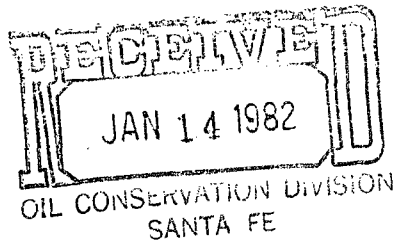
Petroleum Engineering Manager

JMWsr/sr

cc: Pace Exploration Co.
P. O. Box 588
Artesia, New Mexico 88211

PACE DRILLING CO., INC.

P. O. BOX 588 / (505) 748-3344
ARTESIA, NEW MEXICO 88211-0588



January 12, 1982

State Land Office
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention: Joe D. Ramey

*NSL - 1474
Rule 5 - R-3153
Todd upper San Andres
Graz
2-3-82*

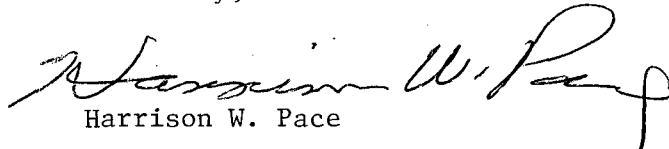
RE: Rhonda PG State #1
1980 FSL 660 FWL,
Section 35 T7S-R35E,
Roosevelt, County,
New Mexico

Gentlemen:

Pace Drilling Company, Inc. drilled the above captioned well in an orthodox location for lower Todd San Andres oil production. However, as of this time no commercial oil production has been established. We therefore request administrative approval to plug back to the Todd upper San Andres which will be an unorthodox location. All offset operators have been notified by return receipt on or by 12/22/81. As of this time no offset operator has objected to our proposal.

Thank you for your consideration on this matter.

Cordially,


Harrison W. Pace

HWP/slh

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

RECEIVED
JAN 14 1982
OIL CONSERVATION DIVISION

Form C-102
Superseded C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

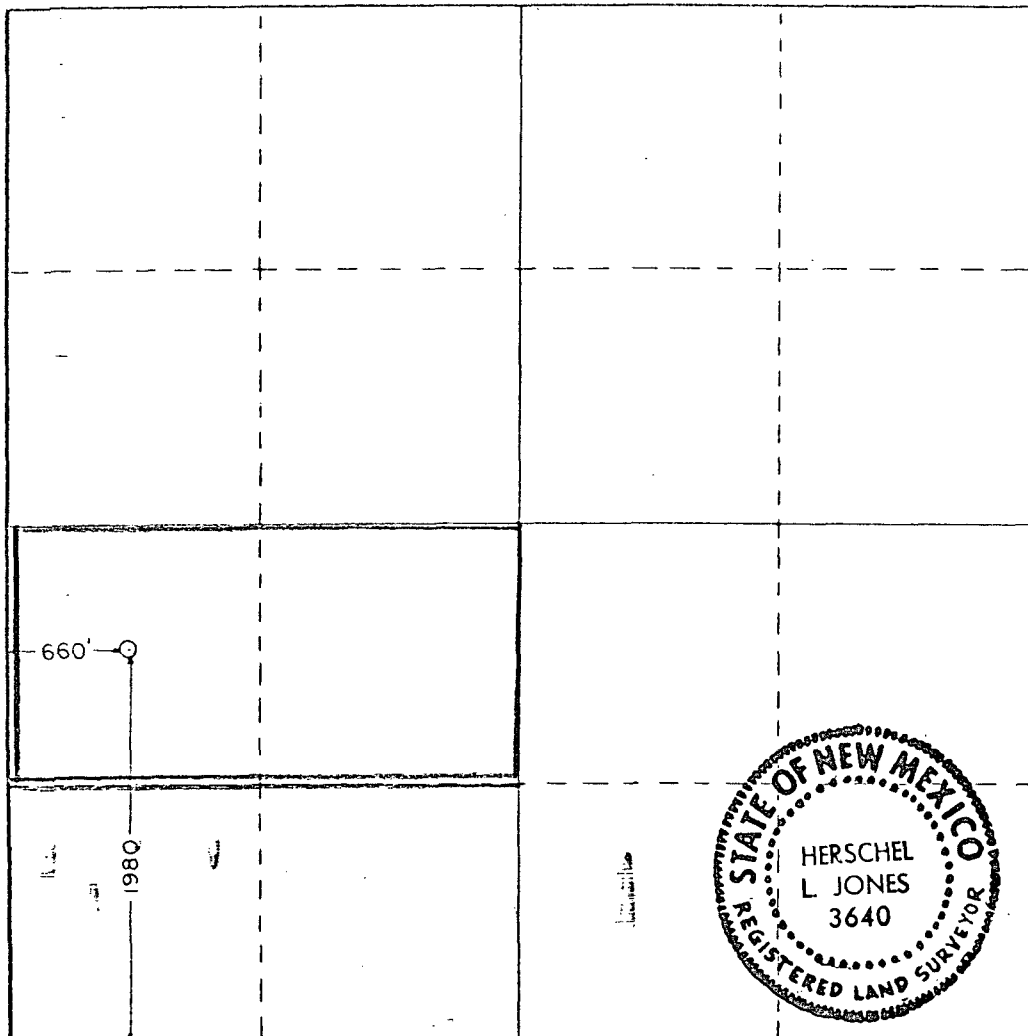
H.W. PACE			Lease Rhonda PG State		
Section	Township	Range	County		
L	35	7 South	35 East	SANTA FE	
Actual Footage Location of Well:					
1980 feet from the South line and		660 feet from the West line			
Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:		
4193.0	San Andres	Todd	80 Acres		

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.

Name

Operator

Position

H. W. Pace

Company

8/24/81

Date

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

August 18, 1981

Registered Professional Engineer and/or Land Surveyor

Certificate No.

3640

0 330 660 990 1320 1650 1980 2310 2640 2000 1800 1000 800 0

30-041-20615

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

JAN 14 1982
OIL CONSERVATION DIVISION
SANTA FE

Indicate Type of Lease
STATE ☒ FEE ☐
State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL ☒ DEEPEN ☐ PLUG BACK ☐		7. Unit Agreement Name
b. Type of Well OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐		8. Farm or Lease Name Rhonda PG State
2. Name of Operator H. W. Pace		9. Well No. #1
3. Address of Operator P. O. Box 588, Artesia, New Mexico 88210		10. Field and Pool or Wildcat Todd Lower La
4. Location of Well UNIT LETTER L LOCATED 1980 FEET FROM THE South LINE AND 660 FEET FROM THE West LINE OF SEC. 35 TWP. 7S RGE. 35E NMPM		12. County Roosevelt
19. Proposed Depth 4600'		19A. Formation San Andres
20. Rotary or C.T. Rotary		
21. Elevations (Show whether DF, RT, etc.) GL 4193.0 DF 4203.0	21A. Kind & Status Plug. Bond one well \$5,000	21B. Drilling Contractor Pace Drilling Co., Inc.
22. Approx. Date Work will start 8/31/81		

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2	13 3/8	48#	40'	42	circulate
12 1/4	8 5/8	24#	2000'	790	circulate
7 7/8	4 1/2	9.5#	4600	270	3600'

BOP Program attached.

Mud Program: Fresh water and native mud to 3600'.
Salt gel, starch and drispac to TD.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 2/27/82
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.

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

Signed [Signature] Title Operator Date 8/24/81

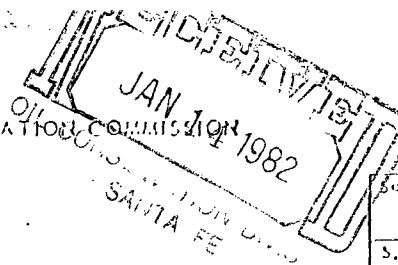
(This space for State Use)

APPROVED BY [Signature] TITLE DATE

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AND OFFICE	
REMARKS	

NEW MEXICO OIL CONSERVATION COMMISSION



Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

50. Indicate Type of Lease

State ☒ Fee ☐

5. State Oil & Gas Lease No.

V-39

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR NOTICES TO ABANDON THE LEASE OR MOVE BACK TO A DIFFERENT RESERVOIR. USE APPLICATION FOR PERMIT TO PRODUCE OIL, FOR SUCH PURPOSES.)

OIL WELL ☒ GAS WELL ☐ OTHER ☐

7. Unit Agreement Name

8. Farm or Lease Name

Rhonda "PG" State

9. Well No.

#1

10. Field and Pool, or Wildcat

Todd Lower San Andr

Name of Operator

H. W. Pace

Address of Operator

P.O. Box 588, Artesia, New Mexico 88210

Location of Well

UNIT LETTER L 1980 FEET FROM THE South LINE AND 660 FEET FROM

THE West LINE, SECTION 35 TOWNSHIP 7S RANGE 35E NMPM.

15. Elevation (Show whether DF, RT, GR, etc.)

GL 4193 KB 4203

12. County

Roosevelt

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 ☐

REMEDIAL WORK ☐

ALTERING CASING ☐

TEMPORARILY ABANDON ☐

COMMENCE DRILLING OPNS. ☒

PLUG AND ABANDONMENT ☐

REPAIR OR ALTER CASING ☐

CHANGE PLANS ☐

CASING TEST AND CEMENT JOBS ☒

OTHER ☐

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.

Spudded well @ 10:00 AM 8/29/81 with 17½" hole. Drilled to 40', set 39' 13 3/8" 48# conductor pipe. Cemented to surface @ 4:30 PM with 81 sacks Class C. Drilled out @ 11:30 PM 8/31/81 with 12½" bit.

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

SIGNED

TITLE Exploration Manager

DATE 9/8/81

Jerry Sorenson

DATE 9/8/81

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY

SEP 11 1981

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87506

Form C-103
Revised 10-1-78

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LAND OFFICE	
OPERATOR	

RECEIVED
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SANTA FE
JAN 14 1982

5a. Indicate Type of Lease
State ☒ For ☐
5. 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.)

OIL WELL ☒ GAS WELL ☐ OTHER ☐
Name of Operator
H. W. PACE
Address of Operator
P. O. BOX 588, ARTESIA, NEW MEXICO 88210
Location of Well
UNIT LETTER L 1980 FEET FROM THE South LINE AND 660 FEET FROM
THE West LINE, SECTION 35 TOWNSHIP 7S RANGE 35E N.M.P.M.
15. Elevation (Show whether DF, RT, GR, etc.)
GL 4193 KB 4203

7. Unit Agreement Name
8. Farm or Lease Name
RHONDA "PG" STATE
9. Well No.
#1
10. Field and Pool, or Wildcat
TODD LOWER SAN ANDRES
12. County
ROOSEVELT

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 ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPERATIONS ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOBS ☒	OTHER ☐

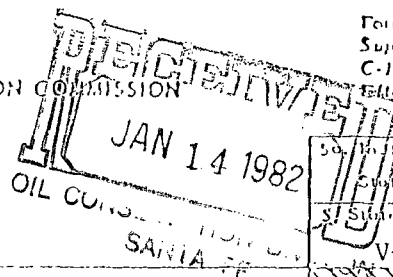
17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

9-8-81 TD 2043 Set 8 5/8" 9.5# J-55 csng @ 2012 Cmt w/ 500 SKS
Halliburton Light W/ 10# salt 1/4# Flocele 200 sks class C
w/ 2% Ca Cl Plug down @ 4:15 AM Circulated 42 sks to pit
woc 18 Hours.
9-9-81 Nippled up on 8 5/8" csng Pressued to 1000 PSI Drilled
out w/ 7 7/8" Bit @ 11:00 PM.

18. I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNED: [Signature] TITLE Exploration Manager DATE 9/22/81
Orig. Signed by Les Clements
APPROVED BY: [Signature] TITLE: [Blank] DATE: SEP 25 1981
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LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION



Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

50. Wellbore Type of Lease ☒ Cuto ☐ Fee ☐
 51. State Oil & Gas Lease No. V-39

SUNDY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO CEMENT OR PLUG BACK TO A DIFFERENT RESERVOIR. USE APPLICATION FOR PERMIT TO DRILL C-101 FOR SUCH PROPOSALS.)

OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator

H.W. PACE

Address of Operator

P.O. BOX 588, ARTESIA, NM

Location of Well

UNIT LETTER L 1980 FEET FROM THE SOUTH LINE AND 660 FEET FROM THE WEST LINE, SECTION 35 TOWNSHIP 7S RANGE 35E N.M.P.M.

7. Unit Agreement Name

8. Form of Lease Name

RHONDA "PG" State

9. Well No.

1

10. Field and Pool, or Wildcat

TODD LOWER SAN ANDRES

15. Elevation (Show whether DF, RT, CR, etc.)

GL 4193 KB 4203

12. County

ROOSEVELT

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 ☐

REMEDIAL WORK ☐

ALTERING CASING ☐

TEMPORARILY ABANDON ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

PULL OR ALTER CASING ☐

CHANGE PLANS ☐

CASING TEST AND CEMENT JOB ☒

OTHER ☐

7. 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.

- 9-21-81 TD 4500 ft, Logging w/ Schlumberger.
- 9-22-81 Finished logging, logger TD 4525. Ran CNL/FDC, D11 logs.
- 9-23-81 Set 4525 ft 4 1/2" 9.5# production csng. Cmt w/ 445 sks class C 2% gel 8# salt 1/4# Focle Plug down @ 1:32 AM 9-24-81.
- 9-24-81 Released Rig, waiting on completion unit.

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

SIGNED

TITLE EXPLORATION MANAGER

DATE 9/28/81

APPROVED BY

Orig. Signed by
Jerry Sexton
Dist 1, Supv

TITLE

DATE SEP 30 1981

CONDITIONS OF APPROVAL, IF ANY

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-103
Revised 10-1-78

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LAND OFFICE	
OPERATOR	

5a. Indicate Type of Lease
State ☒ Free ☐
5. State Oil & Gas Lease No.
V-39

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG DEEP TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator

H.W. Pace
Address of Operator

P.O. Box 588 Artesia, N.M. 88210

Location of Well

UNIT LETTER L 1980 FEET FROM THE South LINE AND 660 FEET FROM

THE West LINE, SECTION 35 TOWNSHIP 7S RANGE 35E N.M.P.M.

13. Elevation (Show whether DF, RT, GR, etc.)

8. Form of Lease Name

Rhonda "PG" State

9. Well No.

1

10. Field and Pool, or Wildcat

Todd Lower S.A.

12. County

Roosevelt

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐CHANGE PLANS ☐REPAIR OR ALTER CASING ☐OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐PLUG AND ABANDONMENT ☐CASING TEST AND CEMENT JOBS ☐OTHER ☐

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.

10/8/81 Rigged up Abo Well Service pulling unit

10/9/81 Tagged plug @ 4480", drilled out to 4510' Ran cement bond log, top cement @ 3100'

10/12/81 Perforated @ 4477-4483', 1 shot per foot total of 7 shots
Ran Baker model R, packer set @ 4462'
Acidize w/500 gal 15% HCL. Perfs broke @ 2300# @.1 BPM. Swabbed 7 barrels back.

10/13/81 0 pressure, tagged fluid @ 2800', no oil no gas. Swabbed dry

10/14-15/81 0 pressure, swabbed dry. No oil or gas.

10/16/81 Acidize w/2000 gal 15% NE @ rate of 1.2 barrels per minute @ 2800 P.S.I.

10/1721/81 Swabbing no shows, swabbed dry

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

SIGNED

TITLE Exploration Manager

DATE 10/21/81

Jerry Saxford

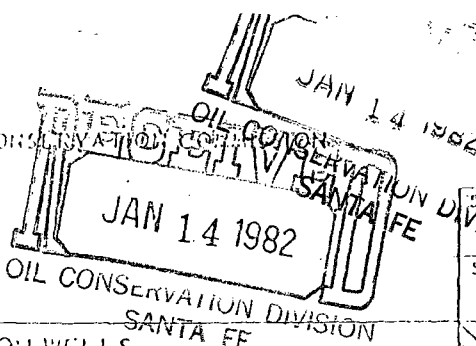
TITLE

DATE

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FROM	
OFFICE	
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NEW MEXICO OIL CONSERVATION DIVISION



Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR NOTICES TO DRILL OR TO CEASE DRILLING IN A DIFFERENT RESERVOIR. USE APPLICATION FOR REPORT ON PRODUCE C-101 FOR SUCH PROCEEDINGS.)

OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator: W. Pace

Address of Operator: P. O. Box 588 Artesia, N.M. 88210

Location of Well: UNIT LETTER L, 1980 FEET FROM THE South, LINE AND 660 FEET FROM West, LINE, SECTION 35, TOWNSHIP 75, RANGE 35 E, N.M.P.M.

5. State Oil & Gas Lease No. V-39

6. Term or Lease Name Rhonda "PG" State

7. Unit Agreement Name

8. Well No. 1

9. Field and Pool, or Wildcat Todd Lower S.A.

10. County Roosevelt

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

INFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☒	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
WELL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOBS ☐	

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.

10/22/81 Ran 4 1/2" CIBP on wire-line set @ 4460, ran dump bailer two runs, cmt. @ 4420 (40 ft). Perf 4314, 16, 21, 24, 29, 32, 38, 40 w/.50" JS. S. I.

10/23/81 Ran tubing and baker model R-packer, set @ 4242.16'. Press.up on casing to 1050 PSI. Acidize w/2000 gal.15% HCL. Perfs broke @ 1000 PSI @ 2.5 BPM incr. to 4 BPM @ 1300 PSI. Dropped 10 ball sealers, incr. 3800 PSI @ 7 BPM. ISIP 1900 PSI. FSIP 1650 10 min. Started flowing well back 10:30 a.m., total recovered 80 bbls.

10/24/81 75# on tubing, fluid @ 2000', gas will burn. Swab 135 bbls fluid, approx. 35% oil cut.

10/25/81 SI for pressure buildup.

10/26/81 100 PSI on tubing, fluid @ 2300', swab 78 bbls fluid.

10/27/81-

11/01/81 Swabbing

11/02/81- Installing pumping equipment.

11/09/81

11/10/81 Pumped 120 bbls with trace of oil.

11/11/81- Pumping. Total recovered, 856 bbls, 2% oil cut.

11/20/81

11/21/81- 12/03/81 Pump down.

12/04/81 Pumped 128 bbls with trace of oil.

12/05/81 Pump down.

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

REPORT BY Exploration Manager DATE 12-08-81

APPROVED BY [Signature] TITLE [Signature] DATE DEC 16 1981

CONDITIONS OF APPROVAL, IF ANY: Perry Sexton, Dist. L. Supv.