

APPLICATION TO NEW MEXICO
OIL CONSERVATION DIVISION
FOR
RECOMPLETION AT AN UNORTHODOX LOCATION

THE EASTLAND OIL COMPANY
WELL NO. 2 CARTHEL FEDERAL

LOCATED

2030' FNL & 2080' FEL SEC 5, T23S, R29E
EDDY COUNTY, NEW MEXICO

This application is for administrative approval of the recompletion of a well previously drilled to another horizon at an unorthodox location. The recompletion will be an unorthodox location.

Coronado Exploration Corporation's (changed to Cibola Energy Corporation) Carthel Federal No. 2 was drilled 2030 feet from the north line and 2080 feet from the east line of Section 5, T23S, R29E, Eddy County, New Mexico as a Morrow completion from 12,727' to 12734 feet. The nonstandard location was approved June 16, 1980 by Administrative Order NSL1203. The well was drilled on Federal oil and gas lease NM0556291 with the east half of Section 5 dedicated to the completion. Carthel Federal #2 was plugged and abandoned in April, 1983.

The Eastland Oil Company, as operator, has acquired the operating rights to Federal oil and gas lease NM59383 containing 602 acres in Section 5, T23S, R29E. Eastland is making application to reenter Carthel Federal No. 2 to test the Atoka formation at an approximate depth of 12,000 feet. The north half of Section 5 will be dedicated to this recompletion.

In view of these facts, the Eastland Oil Company respectfully requests exception to Section B of Rule 104 to permit the recompletion of Carthel Federal No. 2 at the unorthodox location of 2030 feet from the north line and 2080 feet from the east line of Section 5, T23S, R29E, Eddy County, New Mexico.

LIST OF OFFSETTING OWNERS

NORTH HALF SEC.5, T23S, R29E

EDDY COUNTY, NEW MEXICO

Richardson and Bass
c/o Bass Enterprises Production Company
P.O.Box 2760
Midland, Texas 79702

Richardson Oils, Inc.
c/o Bass Enterprises Production Company
P.O.Box 2760
Midland, Texas 79702

Hershel and Chester Carthel
Route 2, Box 1
Lockney, Texas 79241

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 7038
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-79

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

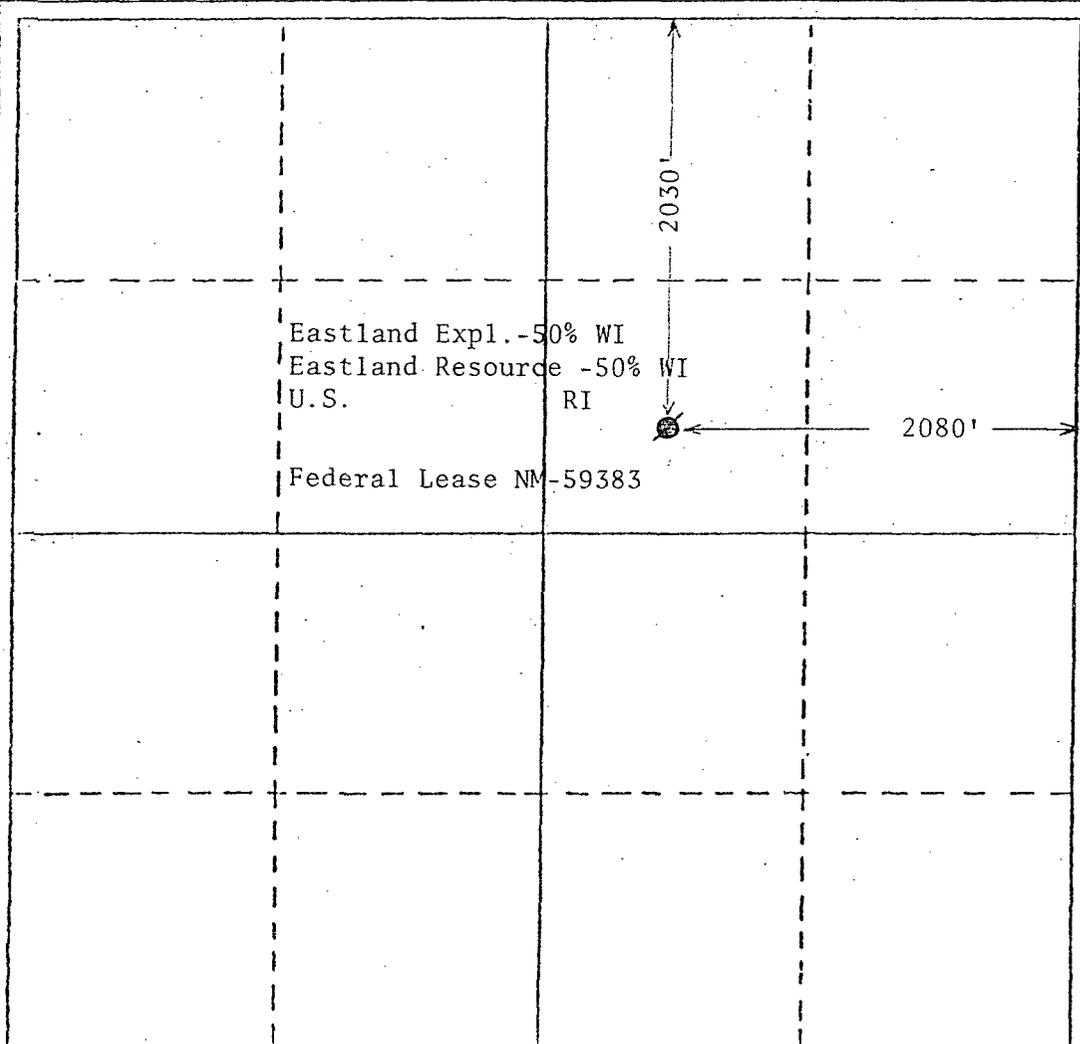
Operator The Eastland Oil Company		Lease Carthel Federal		Well No. 2
Unit Letter G	Section 5	Township 23South	Range 29 East	County Eddy
Actual Footage Location of Well:				
2030 feet from the North line and	2080 feet from the East line			
Ground Level Elev. 3003	Producing Formation Atoka	Pool Wildcat	Dedicated Acreage: 320 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 Division.



CERTIFICATION

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

George D. Neal
Name **George D. Neal**

Position
Vice President-Production

Company
The Eastland Oil Company

Date
June 25, 1985

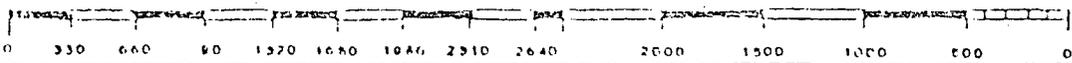
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

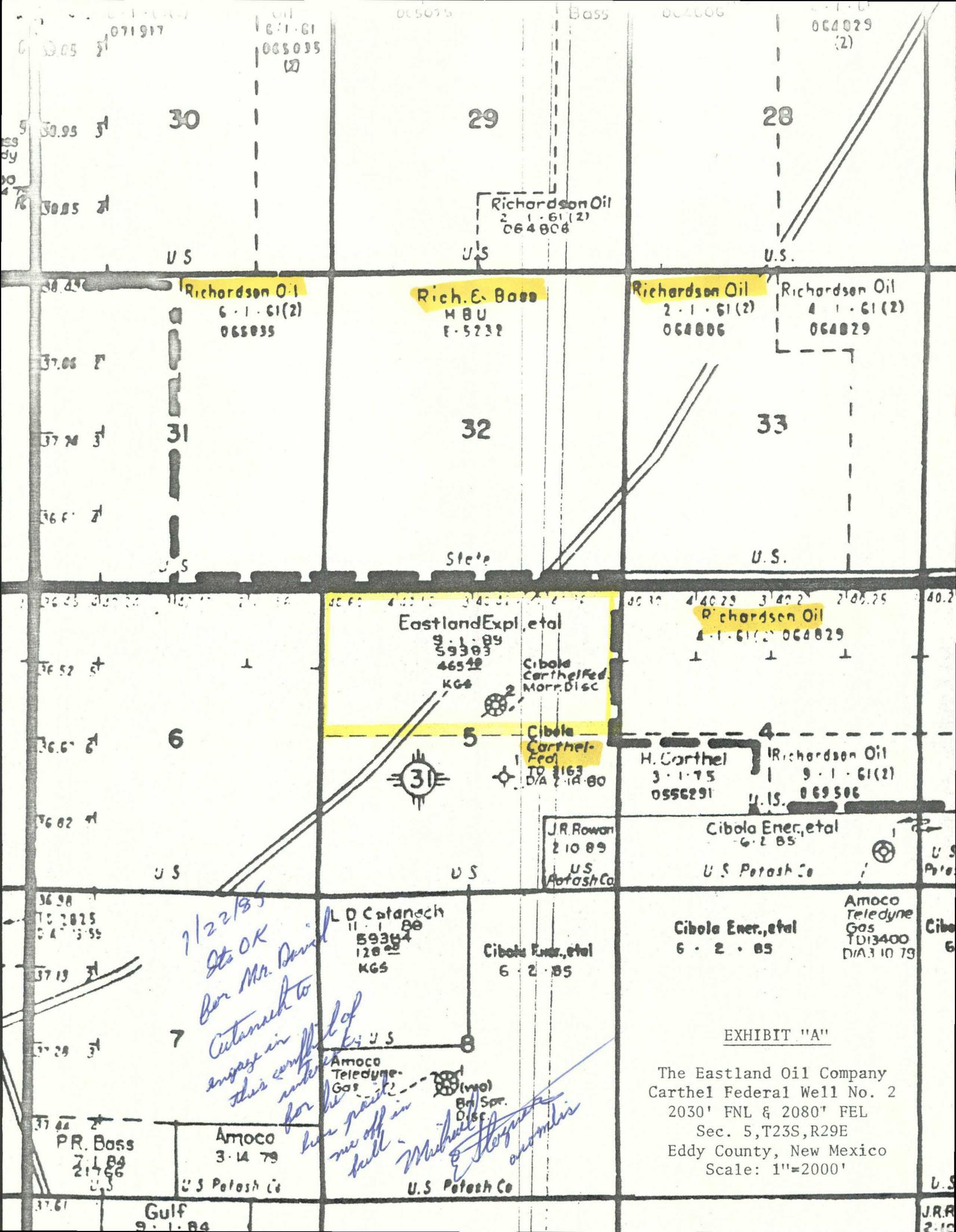
Date Surveyed
May 2, 1980

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No.





*7/22/85
 Ste OK
 per Mr. David
 Catanech to
 engage in
 this contract
 for the
 well
 off in
 bull*

*Michael E. Stogner
 owner*

EXHIBIT "A"

The Eastland Oil Company
 Carthel Federal Well No. 2
 2030' FNL & 2080' FEL
 Sec. 5, T23S, R29E
 Eddy County, New Mexico
 Scale: 1"=2000'