

August 19, 1988

Mr. William J. Lemay
Division Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: Rule 104 (F)(I) Unorthodox Locations
MEC Sapphire Federal #1 Well
Lea County, New Mexico

Dear Mr. Lemay:

Mitchell Energy Corporation respectfully requests that the State of New Mexico grant administrative approval for the unorthodox location of our Sapphire Federal #1 well.



The proposed well location has been staked 1,650' FSL and 1,650' FEL of Section 23, T19S, R33E located in Lea County, New Mexico. The reason this well location cannot be staked at a legal location is due to large sand dunes which surround the SE/4 of Section 23.

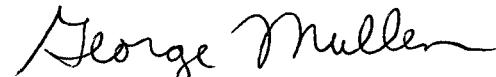
To aid you in your review of this application, I have attached the following Exhibits:

- 1) Exhibit 1: State of New Mexico Form C-102.
- 2) Exhibit 2: Topographical Plat which shows the edge of the major dune area.
- 3) Exhibit 3: Archaeological Survey.
- 4) Exhibit 4: Plat which shows offset operators and offset wells.
- 5) Exhibit 5: Certificate of Service to offset operators.

Should you require any further information in this matter, do not hesitate to contact the undersigned.

Very truly yours,

MITCHELL ENERGY CORPORATION


George Mullen
Regulatory Affairs Specialist

GM/kke
attachment
cc: Oil Conservation Division - District 1
Box 1980
Hobbs, New Mexico 88240
Enron Oil & Gas Company
UNOCAL
Amoco Production Company
H. E. Yates Company

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

Exhibit No. 1
OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

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

Operator MITCHELL ENERGY			Lessee SAPPHIRE FEDERAL		Well No. #1
Unit Letter J	Section 23	Township 19 SOUTH	Range 33 EAST	County LEA	
Actual Postage Location of Well: 1650 feet from the EAST Line and 1650 feet from the SOUTH Line					
Ground Level Elev. 3639	Producing Formation Morrow		Pool Wildcat	Dedicated Acres or Acres 320	

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, forced-pooling, etc?

Yes No If answer is "yes," type of consolidation NA

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.

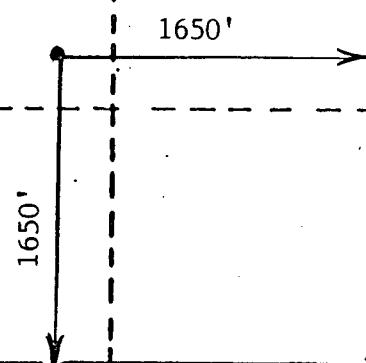
SEC. 23, T. 19 S., R. 33 E. NMPM

CERTIFICATION

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

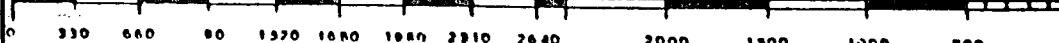
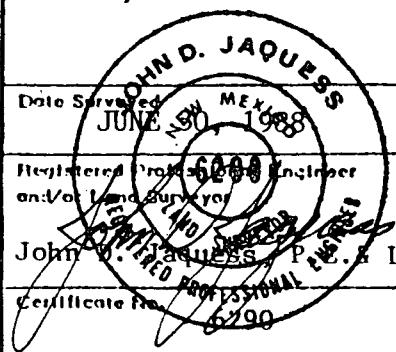
George Mullen

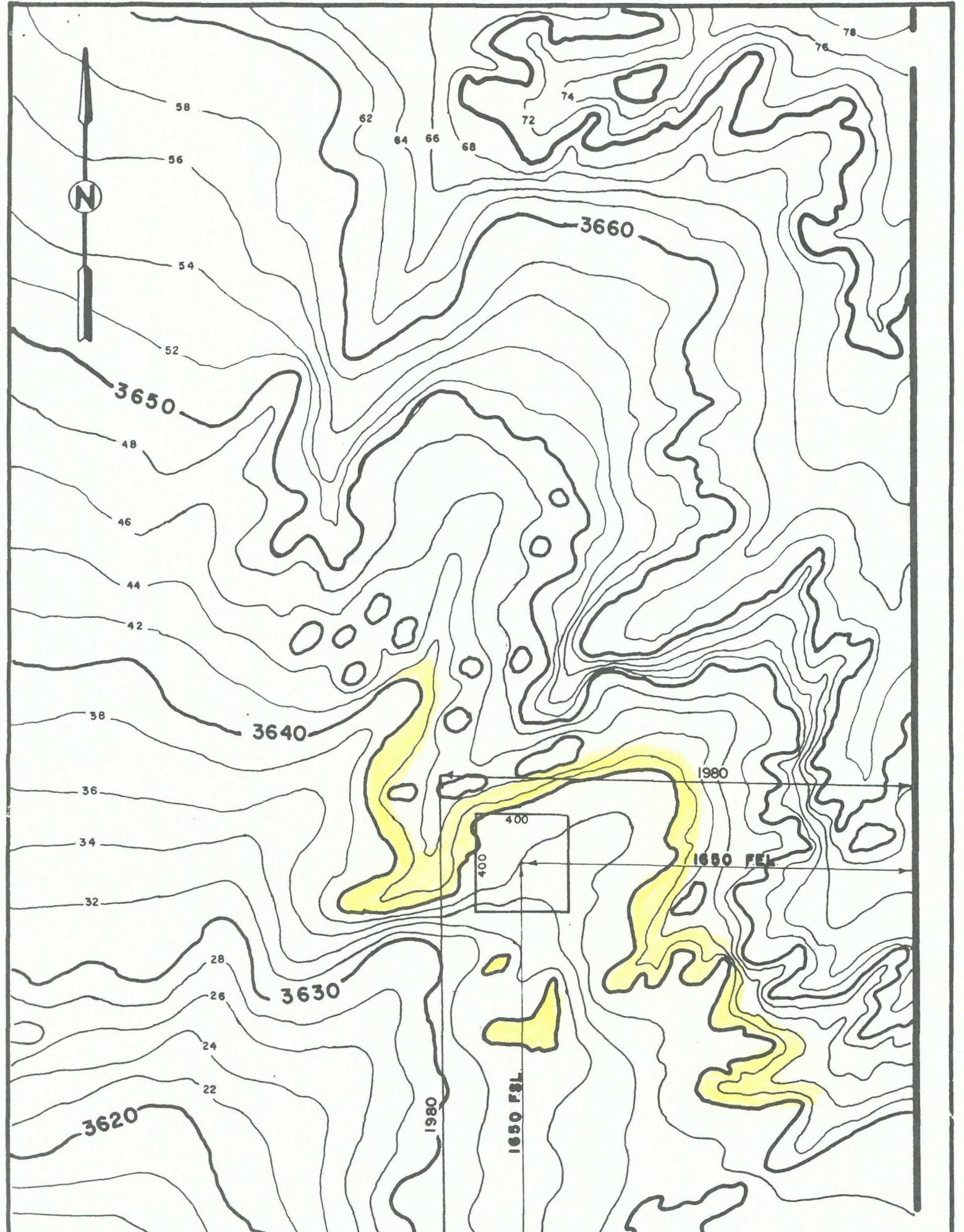
Name
George Mullen
Position
Reg. Affairs Specialist
Company
Mitchell Energy Corp.
Date
August 19, 1988



I hereby certify that the well location shown on this plot 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.

JOHN D. JAQUES
Date Surveyed JUN 20 1988
Registered Professional Engineer
and/or Land Surveyor
John D. Jaques, P.E., L.S.
Certificate No. 6190





ELEVATIONS
 NE COR. GRID 3638 | SW COR. GRID 3635
 SE COR. GRID 3637 | NW COR. GRID 3640
 WELL LOCATION 3639

SE CORNER, SEC. 23, T. 19 S., R. 33 E.

3630

Exhibit No. 2

FOR
 MITCHELL ENERGY

Edge of major dune area

SAPPHIRE FEDERAL #1
 1650 FSL, 1650 FEL
 SEC. 23, T. 19 S., R. 33 E.
 LEA COUNTY, NEW MEXICO

DATE	07/26/88	APP'D.
SCALE	1" = 500'	BK. PAGE
DRN.	L.C.R.	DWG. NO.

Exhibit No. 3

ARCHAEOLOGICAL SURVEY of the MITCHELL ENERGY CORPORATION
SAPPHIRE FEDERAL WELL NO. 1
ALTERNATE LOCATIONS 1, 2, & 3; and ACCESS ROAD R/W
T19S, R33E, SECTION 23, NW/4SE/4. LEA COUNTY, NEW MEXICO

FEDERAL LAND SURFACE [USGS 7.5', LAGUNA GATUNA, NW, N.M., 1984]

ASC Report 88-62

by Dorothy M. Griffiths, Project Archaeologist
and James V. Sciscenti, Principal Investigator

ARCHAEOLOGICAL SURVEY CONSULTANTS
P.O. Drawer D, Roswell, New Mexico 88202
[505] 623-5012

PERMIT NO.: 18-2920-88-C

July 5, 1988

Prepared for:

Mitchell Energy Corporation
200 North Lorraine St., Suite 1000
Midland, Texas 79701

Attention: George Tullas

Distribution:

Mitchell Energy Corporation (1)
BLM - Carlsbad Resource Area (2)
New Mexico SHPO (1)
Griffiths (1)

ARCHAEOLOGICAL SURVEY CONSULTANTS

CULTURAL RESOURCES EXAMINATION

on lands administered by the
Department of the Interior
Bureau of Land Management
Roswell District, New Mexico

ASC PERMIT NO.: 18-2920-88-C
ASC Job No.: 88-62; Mitchell
Energy Corp. Sapphire Fed. Well
No. 1 & Access Road R/W,

1. ABSTRACT: intensive archaeological survey, on **federal land surface**, of the Mitchell Energy Corporation Sapphire Federal Well No. 1 and access road R/W. Because of a high aeolian dune rise, and other environmental problems associated with the initially staked location (at 1980 FSL, 1980 FEL), two (2) other alternate locations (at 1650 FSL, 1650 FEL; & 1980 FSL, 2310 FEL) were staked and gridded. The 3 alternate well pad locations slightly overlap. Alternate Locations 1 & 2 (400 ft. NS x 730 ft. EW, 6.70 acres); Alternate Location 3 (400 ft. sq.; the NW corner, 70 ft. square, of the pad overlaps Alternate Location 1, 3.56 acres). The three alternate well pads (total of 10.26 acres), and an access road R/W (3200 ft. long X 100 ft. wide, 7.35 acres), with a total **federal land surface of 17.61 acres**, were inspected for cultural remains.

Archaeological survey of the 3 alternate locations for the Sapphire Federal Well No. 1, and the access road R/W, revealed the occurrence of 3 Isolated Manifestations, none of which appear significant past the level of field recording. Therefore, archaeological **CLEARANCE** for the Mitchell Energy Corporation Sapphire Federal Well No. 1 and access road R/W is **RECOMMENDED**.

2. WELL PAD LOCATION, ALTERNATE 1: T19S, R33E, Section 23, Centre, NW/4SE/4 (1980 FSL, 1980 FEL). **ALTERNATE 2:** T19S, R33E, Section 23, Centre, West 1/2, NW/4SE/4 (1980 FSL, 2310 FEL). **ALTERNATE 3:** T19S, R33E, Section 23, Centre, SE/4NW/4SE/4 (1650 FSL, 1650 FEL). **ACCESS ROAD R/W:** T19S, R33E, Section 23: NW/4NW/4SE/4; NE/4NE/4SW/4; NW/4NE/4SW/4; NE/4NW/4SW/4; NW/4NW/4SW/4; SW/4NW/4SW/4. Lea County, New Mexico.

U.S.G.S. 7.5 minute series, LAGUNA GATUNA, NW, NEW MEXICO, 1984.

LAND STATUS: BLM, Roswell District/Carlsbad Resource Area, New Mexico.

3. PROJECT DESCRIPTION: Three alternate well pads (total of 10.26 acres), and an access road R/W (3200 ft. long X 100 ft. wide, 7.35 acres), with a total **federal land surface of 17.61 acres**, were inspected for cultural remains.

TOPOGRAPHY: the proposed project is on the Mescalero Pediment, Querecho Plains, ca. 3.0 miles northeast of Laguna Tonto, straddling 2 soil zones; the Alternate # 1 location of the proposed Sapphire Fed. Well No. 1 is on the SW toe of a NE/SW trending dune ridge system, consisting of deep (up to 6 metres) aeolian deposits, which extend NE for about a mile. Deep, elongate, to crescent-shaped, partly vegetated deflation basins of large size, occur within the dune ridge system. The Alternate # 2 location, which straddles the interface of Kermit-Duneland sands and Kermit-Palomitas fine sands, is immediately to the west of the dune ridge, with the eastern part of the pad on the ridge. Alternate # 3 is south of the dune ridge, with only the extreme northern part of the well pad on the dune rise. The access road R/W is within an area of undulating aeolian terrain, marked by few dune rises, and relatively shallow deflation basins (less than 1 metre deep). In general, the terrain slopes to the southwest, ca. 3 miles to Laguna Tonto. **Soils:** Kermit soils-Duneland at the east end of the area, & Kermit-Palomitas fine sands, elsewhere. **Permanent Water:** Laguna Gatuna, ca. 7 miles southwest. **Potential Water:** Laguna Tonto, ca. 3.0 miles SW. **Elevation:** 3635 ft. to 3651 ft. **Slope:** 0.50 to 1.74 degrees. **Aspect:** SW. **Lithic Resource Material:** not available in the immediate project vicinity. **Vegetation:** Grassland Formation, scrub-grass scrub community.

4. EXAMINATION PROCEDURE: straight and zig-zag transects, spaced no further than 15 metres apart, with inspection of all deflation basins; dogleash transects in the vicinity of Isolated Manifestations. Ca. 9.0 manhours on ground. Well pad centres/corners and access road centreline staked by client.

VISIBILITY: ground, ca. 60%, with 100% in deflation basins; weather, sunny.

5. FINDINGS: BLM records do not indicate the prior recording of sites within Sections 23, T19S, R33E; records for Section 22 (T19S, R33E) indicate the recording of 2 sites (NM-06-2541 & ENMU 5500 in the NW/4 of the section [Calamia, 6/28/1988]). The sites will not be endangered by well pad or access road construction.

Archaeological survey of the 3 alternate locations for the Sapphire Federal Well No. 1, and the access road R/W, revealed the occurrence of 3 Isolated Manifestations, none of which appear significant past the level of field recording. Data on the isolates occur in the attached I.A. forms.

6. RECOMMENDATIONS: archaeological **CLEARANCE** for the well pad, at Locations 1, 2, or 3, and access road R/W, is **RECOMMENDED**.

Date of Examination: June 30, 1988

Project Archaeologist: D. M. Griffiths

Principal Investigator: J. S. Saseen

UTM: Zone 13 E 628,445 m N 3,612,290 m.Legal Desc.: T 19 S R 33 E: Section 23; SE 1/4 NW 1/4 SW 1/4.County: Chaves / Eddy / Lea / State New Mexico Elevation 3641 ft.Map Reference: USGS LAGUNA GATUNA NW Date: 1984 Scale 7.5" / 15"

Topographic Setting:

- | | | | |
|---|---|---|--|
| <input type="checkbox"/> arroyo/wash | <input type="checkbox"/> constricted canyon | <input type="checkbox"/> hill slope | <input type="checkbox"/> playa |
| <input type="checkbox"/> base of cliff | <input type="checkbox"/> dune | <input type="checkbox"/> low rise | <input type="checkbox"/> ridge crest |
| <input type="checkbox"/> bench | <input type="checkbox"/> dune ridge system | <input type="checkbox"/> mesa | <input type="checkbox"/> ridge slope |
| <input checked="" type="checkbox"/> blowout | <input type="checkbox"/> dune rise (local) | <input type="checkbox"/> mountain | <input type="checkbox"/> saddle |
| <input type="checkbox"/> canyon rim | <input type="checkbox"/> floodplain | <input type="checkbox"/> mountain front | <input type="checkbox"/> base, talus slope |
| <input type="checkbox"/> cave | <input type="checkbox"/> valley bottom | <input type="checkbox"/> foothill | <input type="checkbox"/> terrace |
| <input type="checkbox"/> cliff/scarp | <input type="checkbox"/> hill top | <input type="checkbox"/> plain/flat | <input type="checkbox"/> open canyon floor |

other _____

Dep. Envir.: bedrock residual (aeolian) colluvial alluvial other _____Local Vegetation Oak brush, sagebrush, yucca, buckwheat, prickly pear,grasses: 3-awn, dropseed, little bluestem, grama, sunflowersEcological Zone: forest _____ woodland _____ scrubland (grassland) _____ desert _____
scrub _____ marshland _____ other (specify) _____

Cultural Data:

Chipped Stone: lithicdebitage core biface uniface other _____

Material _____ Platform; Flake Stage; Retouch; etc.

1 grey-tan chert prepared platform tertiary flake: 3.1 x 3.3 x 0.6 cms.

Ground Stone: _____

Ceramics: type, if known; describe paint, slip, temper, paste, vessel form, rim type, etc.

Historic (older than 50 yrs.) _____

Other _____

Sketch

Cultural Affiliation UNKNOWN. Best Date UNKNOWN.
 Artifact collected? yes no X Other I.A.'s, features, or site nearby? YES
 LA/Field #: ASC 88-62-ZM #2 & 3 Public. Date: 7/05/88 Institution ARSC
 Author & Title GRIFFITHS, D.M. & J.V. SCISCENTI: " SAPPHIRE FEDERAL WELL No. 1.
ALTERNATE LOCATIONS 1, 2, & 3 & ACCESS ROAD FOR MITCHELL ENERGY CORP'
 Field Recorder: D. M. GRIFFITHS Date: 6/30/88

Form must be accompanied by a photocopy portion of the appropriate U.S.G.S. map, showing
 Township, Range, scale, & quadrangle name.

UTM: Zone 13 E 628,390 m. N 3,612,370 m.Legal Desc.: T 19 S R 33 E1 Section 23, SE 1/4 NW 1/4 SE 1/4.County: Chaves / Eddy / Les / State New Mexico Elevation 3649 ft.Map Reference: USGS LAGUNA GATUNA NW Date: 1984 Scale: 7.5" / 15"

Topographic Setting:

- | | | | |
|---|---|---|--|
| <input type="checkbox"/> arroyo/wash | <input type="checkbox"/> constricted canyon | <input type="checkbox"/> hill slope | <input type="checkbox"/> playa |
| <input type="checkbox"/> base of cliff | <input type="checkbox"/> dune | <input type="checkbox"/> low rise | <input type="checkbox"/> ridge crest |
| <input type="checkbox"/> bench | <input type="checkbox"/> dune ridge system | <input type="checkbox"/> mesa | <input type="checkbox"/> ridge slope |
| <input checked="" type="checkbox"/> blowout | <input type="checkbox"/> dune ridge (local) | <input type="checkbox"/> mountain | <input type="checkbox"/> saddle |
| <input type="checkbox"/> canyon rim | <input type="checkbox"/> floodplain | <input type="checkbox"/> mountain front | <input type="checkbox"/> base, talus slope |
| <input type="checkbox"/> cave | <input type="checkbox"/> valley bottom | <input type="checkbox"/> foothill | <input type="checkbox"/> terrace |
| <input type="checkbox"/> cliff/scarp | <input type="checkbox"/> hill top | <input type="checkbox"/> plain/flat | <input type="checkbox"/> open canyon floor |

other _____

Dep. Envir.: bedrock residual aeolian colluvial alluvial other _____Local Vegetation Oak brush, sagebrush, yucca, buckwheat, prickly pear.grasses: 3-awn, dropseed, little bluestem, grama,Ecological Zone: forest woodland scrubland grassland desert _____
scrub marshland other (specify) _____

Cultural Data:

Chipped Stone: lithicdebitage core biface uniface other _____

Material _____ Platform; Flake Stage; Retouch; etc.

1 opalized caliche prepared platform Secondary flake : 2.6 x 3.0 x 0.4 cms.

Ground Stone: _____

Ceramics: type, if known; describe paint, slip, temper, paste, vessel form, rim type, etc.

Historic (older than 50 yrs.) _____

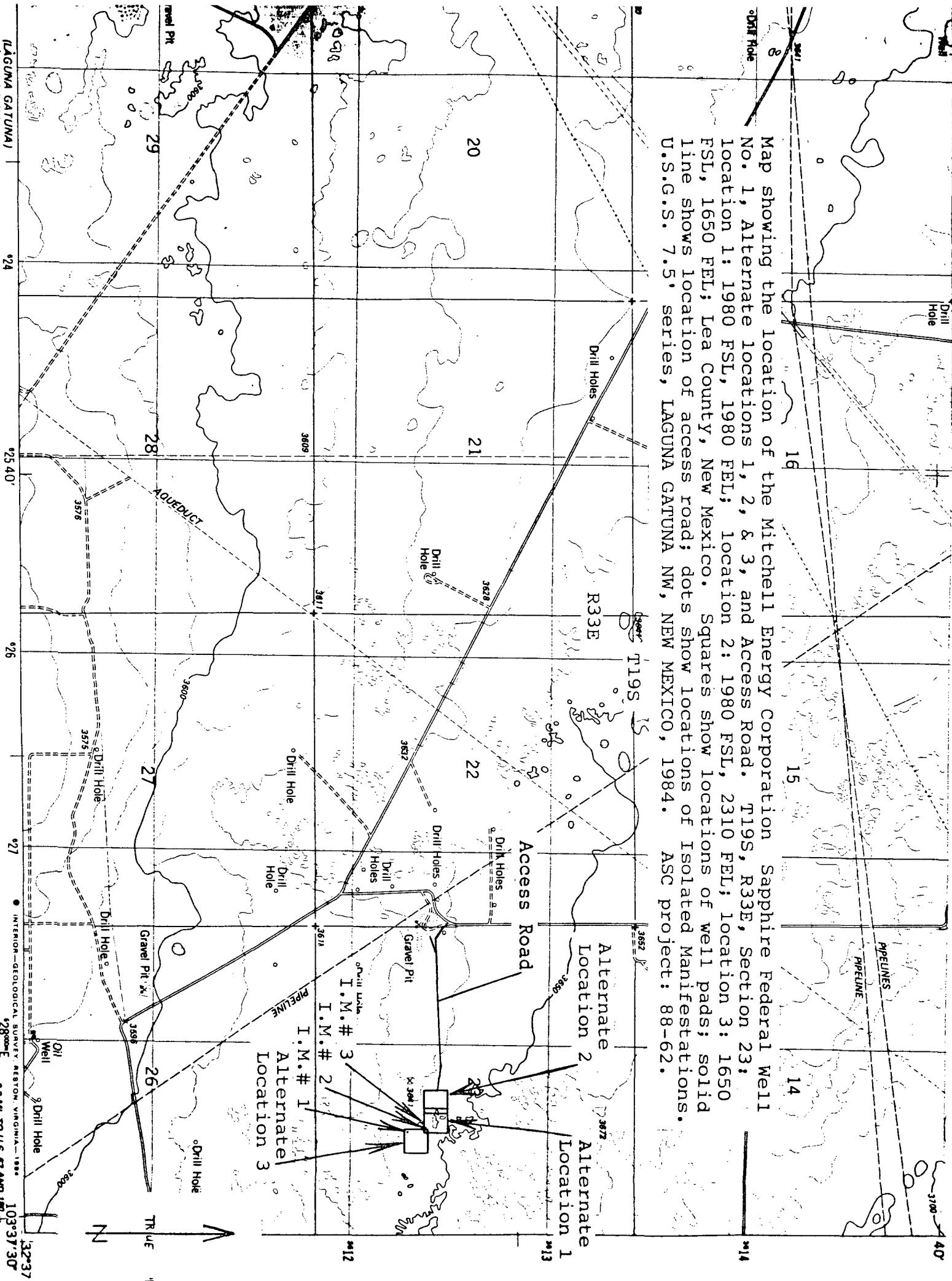
Other _____

Sketch

Cultural Affiliation UNKNOWN. Best Date UNKNOWN.Artifact collected? yes no X Other I.A.'s, features, or site nearby? YESLA/Field #: ASC 88-62-I M #102 Public. Date: 7/05/88 Institution PRSCAuthor & Title GRIFFITHS, D.M. & J.V. SCISCENTI: " SAPPHIRE FEDERAL WELL No. 1.ALTERNATE LOCATIONS 1, 2, & 3 & ACCESS ROAD FOR MITCHELL ENERGY CORP.Field Recorder: J.V. SCISCENTI Date: 6/30/88

Form must be accompanied by a photocopy portion of the appropriate U.S.G.S. map, showing Township, Range, scale, & quadrangle name.

Map showing the location of the Mitchell Energy Corporation Sapphire Federal Well No. 1, Alternate locations 1, 2, & 3, and Access Road. T19S, R33E, Section 23: location 1: 1980 FSI, 1980 FEL; location 2: 1980 FSL, 2310 FEL; location 3: 1650 FSL, 1650 FEL; Lea County, New Mexico. Squares show locations of well pads; solid line shows location of access road; dots show locations of Isolated Manifestations U.S.G.S. 7.5' series, LAGUNA GATUNA NW, NEW MEXICO, 1984. ASC project: 88-62.



ISOLATED ARTIFACT FORM

ARCHAEOLOGICAL SURVEY CONSULTANTS NO.: ASC 88-62-Z.M.#2UTM: Zone 13 E 628,425 m N 3,612,380 m.Legal Desc.: T 19 S R 33 E1 Section 23, SE 1/4 NW 1/4 SE 1/4.County: Chaves / Eddy / (Les) State New Mexico Elevation 3649 ft.Map Reference: USGS LAGUNA GATUNA NW Date: 1984 Scale 7.5' / 15"

Topographic Setting:

- | | | | |
|---|---|---|--|
| <input type="checkbox"/> arroyo/wash | <input type="checkbox"/> constricted canyon | <input type="checkbox"/> hill slope | <input type="checkbox"/> playa |
| <input type="checkbox"/> base of cliff | <input type="checkbox"/> dune | <input type="checkbox"/> low rise | <input type="checkbox"/> ridge crest |
| <input type="checkbox"/> bench | <input checked="" type="checkbox"/> dune ridge system | <input type="checkbox"/> mesa | <input type="checkbox"/> ridge slope |
| <input checked="" type="checkbox"/> blowout | <input type="checkbox"/> dune ridge (local) | <input type="checkbox"/> mountain | <input type="checkbox"/> saddle |
| <input type="checkbox"/> canyon rim | <input type="checkbox"/> floodplain | <input type="checkbox"/> mountain front | <input type="checkbox"/> base, talus slope |
| <input type="checkbox"/> cave | <input type="checkbox"/> valley bottom | <input type="checkbox"/> foothill | <input type="checkbox"/> terrace |
| <input type="checkbox"/> cliff/scarp | <input type="checkbox"/> hill top | <input type="checkbox"/> plain/flat | <input type="checkbox"/> open canyon floor |

other _____

Dep. Envir.: bedrock residual aeolian colluvial alluvial other _____Local Vegetation Oak brush, sagebrush, yucca, buckwheat, prickly pear.grasses: 3-awn, dropseed, little bluestem, grama,Ecological Zone: forest woodland scrubland grassland desert _____
scrub marshland other (specify) _____

Cultural Data:

Chipped Stone: lithicdebitage core biface uniface other _____

Material _____ Platform; Flake Stage; Retouch; etc.

I opalized caliche core with unidirectional flaking on one edge & side,
two flakes removed from other side : 5.2 x 4.0 x 3.0 cms.

Ground Stone: _____

Ceramics: type, if known; describe paint, slip, temper, paste, vessel form, rim type, etc.

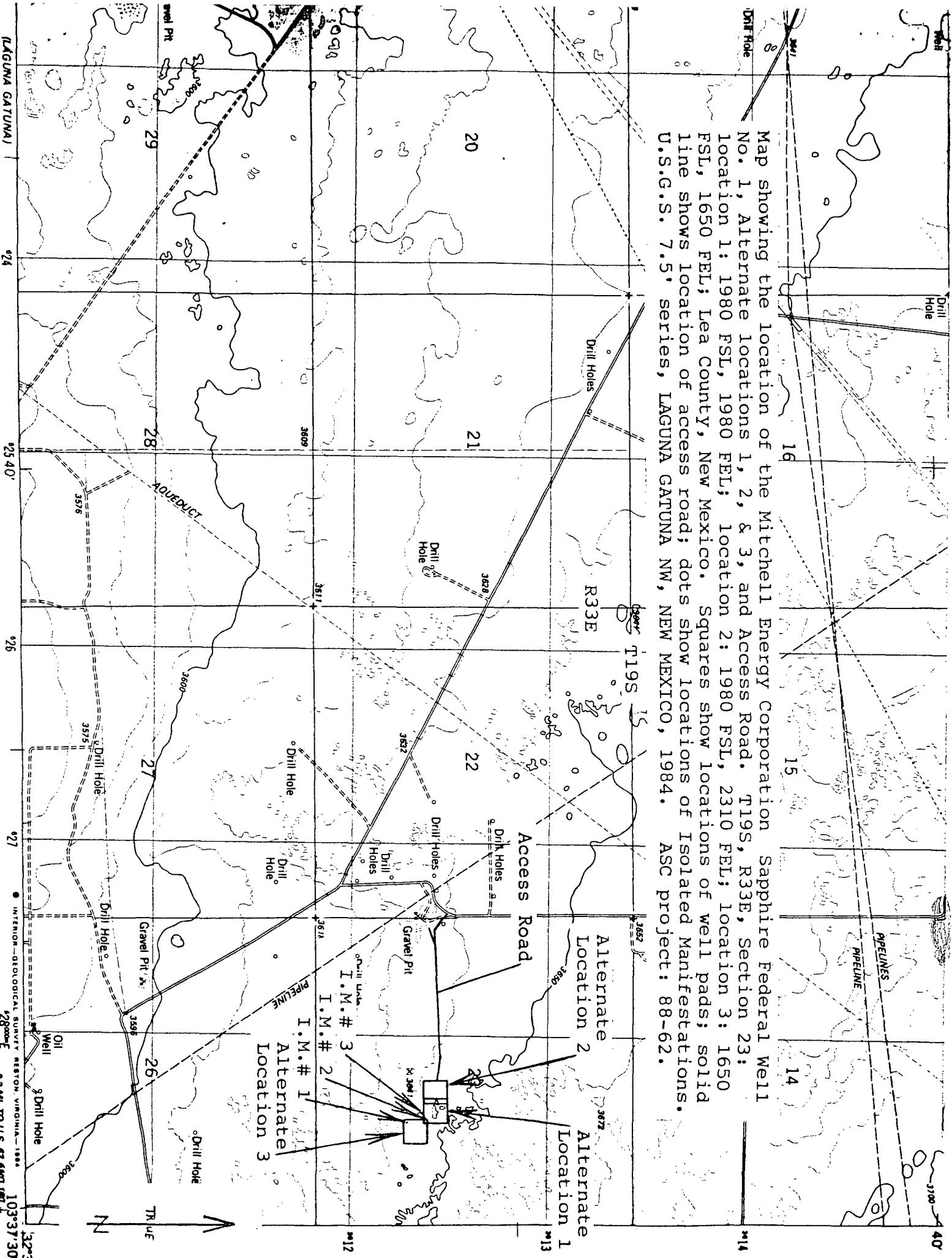
Historic (older than 50 yrs.) _____

Other _____

Sketch

Cultural Affiliation UNKNOWN. Best Date UNKNOWN.Artifact collected? yes no X Other I.A.'s, features, or site nearby? YESLA/Field #: ASC 88-62-ZM #183 Public. Date: 7/05/88 Institution ARSCAuthor & Title GRIFFITHS, D.M. & J.V. SCISCENTI: "SAPPHIRE FEDERAL WELL No. 1.ALTERNATE LOCATIONS 1, 2, & 3 & ACCESS ROAD FOR MITCHELL ENERGY CORP.Field Recorder: J.V. SCISCENTI Date: 6/30/88Form must be accompanied by a photocopy portion of the appropriate U.S.G.S. map, showing
Township, Range, scale, & quadrangle name.

Map showing the location of the Mitchell Energy Corporation Sapphire Federal Well No. 1, Alternate locations 1, 2, & 3, and Access Road. T19S, R33E, Section 23: location 1: 1980 FSL, 1980 FEL; location 2: 1980 FSL, 2310 FEL; location 3: 1650 FSL, 1650 FEL; Lea County, New Mexico. Squares show locations of well pads; solid line shows location of access road; dots show locations of Isolated Manifestations U.S.G.S. 7.5' series. LAGUNA GATINA NW - NEW MEXICO 1984. ASC project: 88-62.



23 MAY 1965. 22 AND 150
103.31.30
E 28000' S.
S A L S U R V E Y M E S T E R A N D M A P P I N G — 1965

LAUREN JAHNKA
5249 N SW

Chevron

Marklin

15

Texaco
9-1-93

14

Enron

13

U.S.

Amoco
HBP

22

U.S.

M.E.C.
1-1-96

23

U.S.

M.E.C.

Yates

24

U.S.

Tenn Co.
2 Cen

27

U.S.

Sivley
2 Miller Fed.Tenn Co.
3 BeckinM.E.C.
1 Sapphire Fed.

1650'

26

U.S.

Enron
Unocal

Chevron

25

Amoco
HBPU.S.
Chase E. & Mark SmithDelpert
1 Colo

Unocal

McKnight
1 Ann

Estacado

U.S.
Chase E. & Mark Smith

3.5

3.5

3.6

Proposed 320 Acre Unit
 One Mile Radius
 Mitchell Energy Corporation
 Enron Oil & Gas Company
 UNOCAL
 AMOCO
 H. E. Yates Company



MITCHELL ENERGY CORPORATION

SAPPHIRE FEDERAL #1
 Lea County, New Mexico

SCALE: 1"=2000'
 DATE: 8/88

Exhibit 4

ATTACHMENT TO EXHIBIT #4
Abandoned Wells Within One-Mile Radius
Sapphire Federal No. 1
Sec 23, T-19-S, R-33-E
Lea Co., New Mexico

Sec. 14

Sively, Jones Fed. #1 (330' FSL & 660' FWL) D&A

Sec. 22

Pan American, Laguna Plata Unit #1 (1980' FSL & 710' FEL) P&A
Sively, Aid et al Fed #1 (2310' FNL & 330' FEL) D&A
Sively, Federal "A" #2 (2310' FNL & 1650' FEL) D&A
Sively, Hebert Aid Federal #1 (800' FSL & 990' FEL) D&A
Sively, Hebert Aid Federal #2 (1220' FSL & 660' FEL) P&A
Sively, Miller Federal #1 (1980' FSL & 495' FEL) P&A
Texas Co., Baskin #1 (660' FSL & 660' FEL) P&A
Texas Co., Baskin #2 (1980' FSL & 1980' FEL) D&A

Sec. 23

Sively, Miller Fed. #2 (2125' FSL & 100' FWL) D&A
Texas Co., Baskin #3 (660' FSL & 660' FWL) D&A

Sec. 24

Burk Royalty, Donohue #1 (800' FSL & 330' FWL) D&A
C.W. Trainer et al, Donohue #1 (1650' FNL & 1980' FWL) D&A

Sec. 26

Dalport, Cole #1 (660' FNL & 660' FWL) D&A
McKnight, Ann #1 (1980' FNL & 1980' FEL) D&A

Sec. 27

Texas Co., Cole #2 (660' FNL & 660' FEL) D&A

Exhibit No. 5

Certificate of Service

I hereby certify that a true and correct copy of Mitchell Energy Corporation's Application for an Unorthodox Location, for its Sapphire Federal No. 1 well, was sent to each of the below named offset operators by certified mail on August 22, 1988.

Enron Oil & Gas Company
Box 1188
Houston, Texas 77251

UNOCAL
P. O. Box 3100
Midland, Texas 79702

Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

H. E. Yates Company
Sunwest Center
P. O. Box 1933
Roswell, New Mexico 88201

George Mullen
George Mullen
Regulatory Affairs Specialist

August 1, 1989

Mr. Mike Stogner
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

RECEIVED

AUG 4 1989

OIL CONSERVATION DIV.
SANTA FE

Re: UNOCAL Notification
MEC Sapphire Federal #1 Well
Lea County, New Mexico

Dear Mr. Stogner:

Reference is made to our phone conversation July 31, 1989 whereby you requested a copy of the green certified card signed by UNOCAL's agent. This card was attached to the packet sent to UNOCAL notifying them of Mitchell's request for an unorthodox location for our Sapphire Federal #1 well.

If I can be of any further help in this matter, kindly advise.

Very truly yours,

MITCHELL ENERGY CORPORATION

George Mullen

George Mullen
Regulatory Affairs Specialist

GM:dhh

Enclosure

● SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery
†(Extra charge)†

3. Article Addressed to:

UNOCAL
P. O. Box 3100
Midland, Texas 79702

4. Article Number

P 659 892 222

Type of Service:

- Registered Insured
 Certified COD
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee

X

6. Signature — Agent

X

7. Date of Delivery

Bob Baylor
8-24-88

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1987

* U.S.G.P.O. 1987-178-268

DOMESTIC RETURN RECEIPT

County Ira

Pool EAST GEM - Morrow Gas

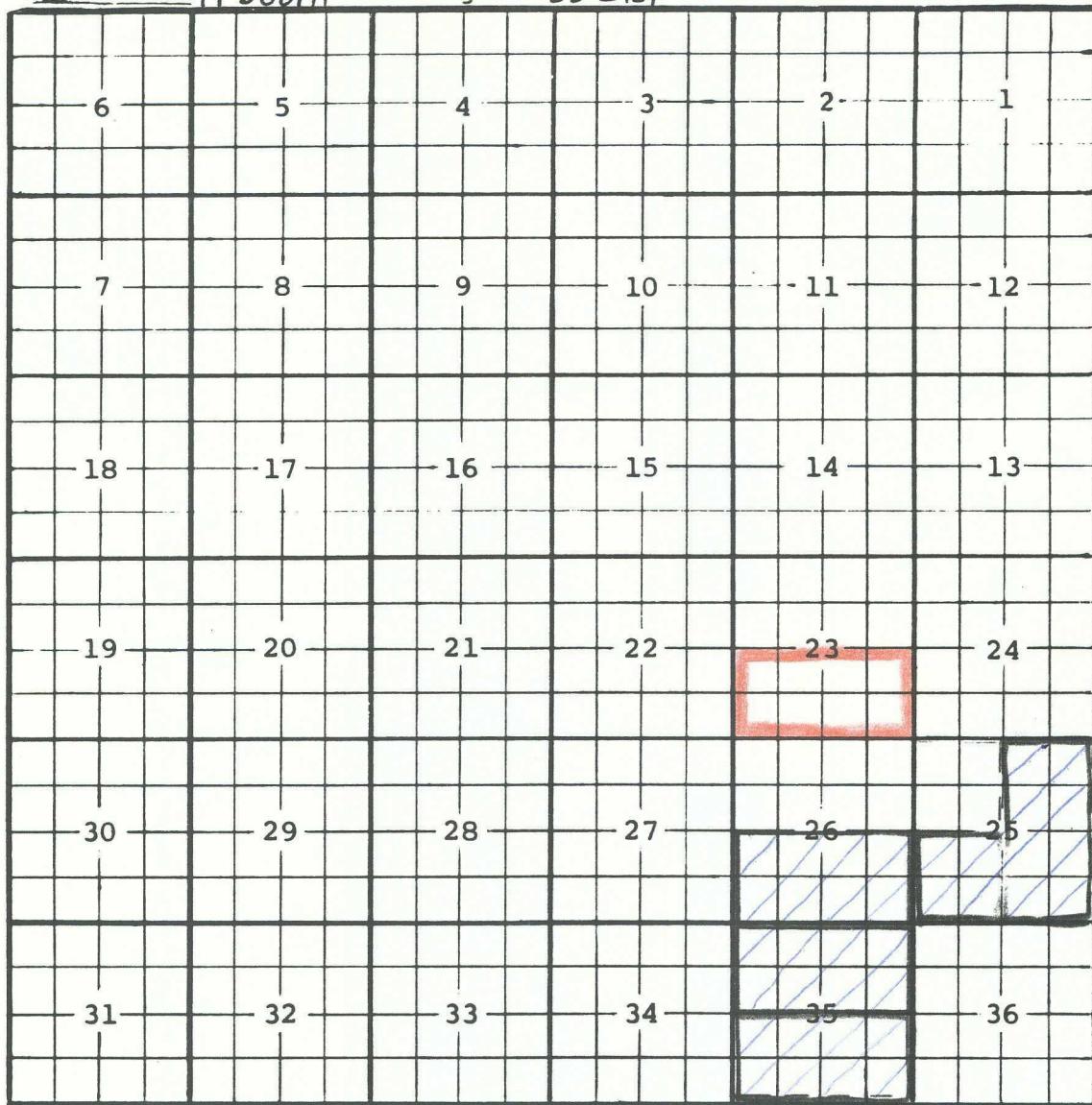
TOWNSHIP

19 SOUTH

Range

33 EAST

NMPM

DESCRIPTION: $\frac{1}{2}$ Sec. 35 (R-6211, 12-31-79)Ext: $\frac{1}{2}$ Sec. 26 (R-6328, 5-1-80)Ext: Sec: 25 $\frac{1}{2}$ + SW/4, Sec: 35 $\frac{1}{2}$ (R-7114-10-19-82)No Special Pool Rates

County LEA

Pool GEM-MorrowGAS

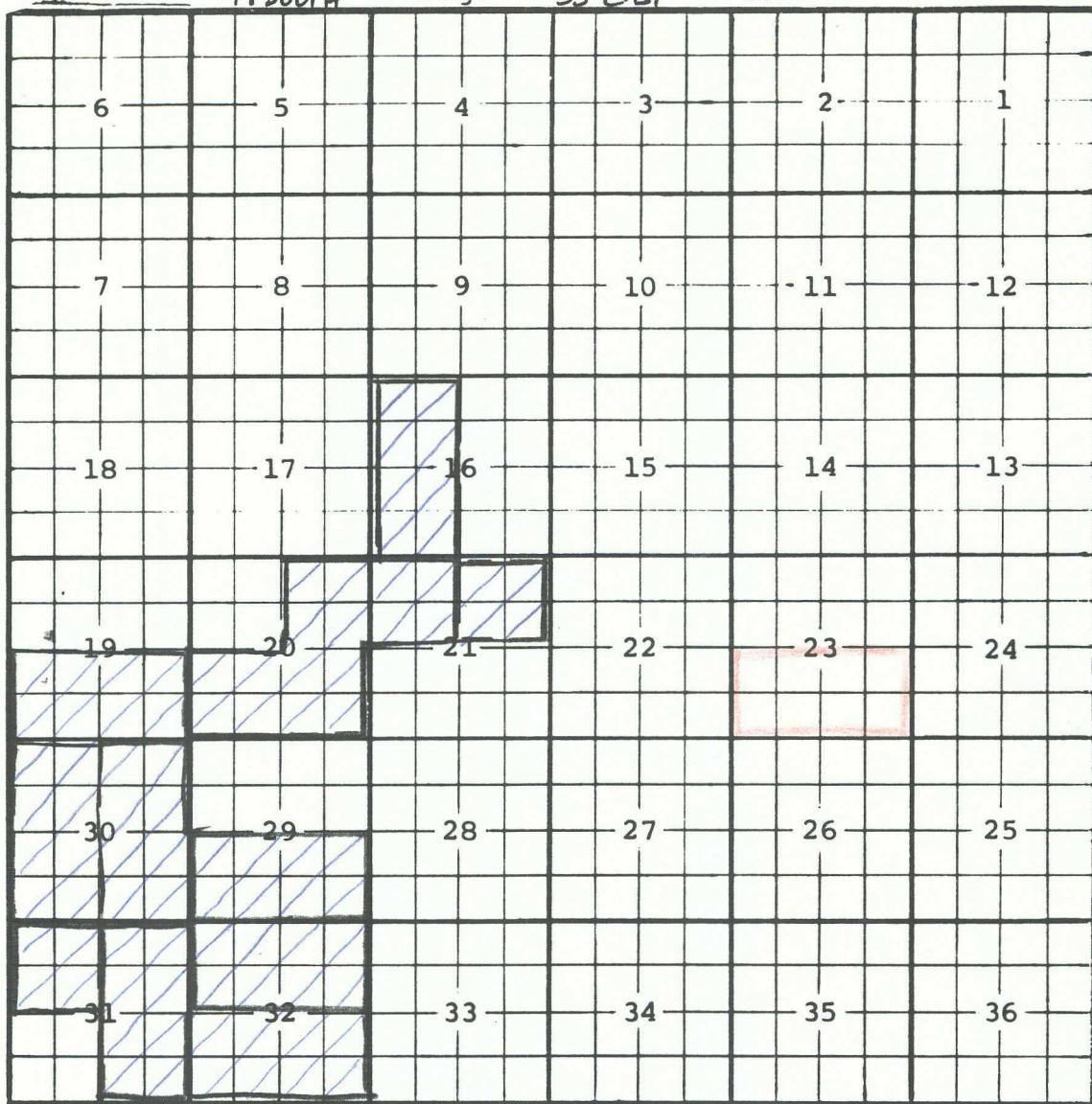
TOWNSHIP

19 SOUTH

Range

33 EAST

NMPM



DESCRIPTION: $\frac{5}{8}$ Sec. 29 (R-6211, 12-31-79) Ext: $\frac{1}{2}$ Sec. 32 (R-6420, 8-1-80)
Ext: $\frac{5}{8}$ sec 31 (R-6724, 7-16-81) Ext: $\frac{5}{8}$ sec 30, $\frac{9}{8}$ sec 32 (R-6820, 1-2-82)
Ext: $\frac{5}{8}$ sec. 30 (A-7307, 6-14-83) Ext: $\frac{5}{8}$ sec. 19 (R-7322, 8-1-83)
Ext: $\frac{5}{8}$ and $\frac{N}{8}$ sec. 20, $\frac{N}{8}$ sec. 21 (R-7996, 8-6-85)
Ext: $\frac{N}{4}$ sec. 21 (R-8041, 10-3-85) Ext: $\frac{5}{8}$ sec. 16 (R-8233, 5-29-86)

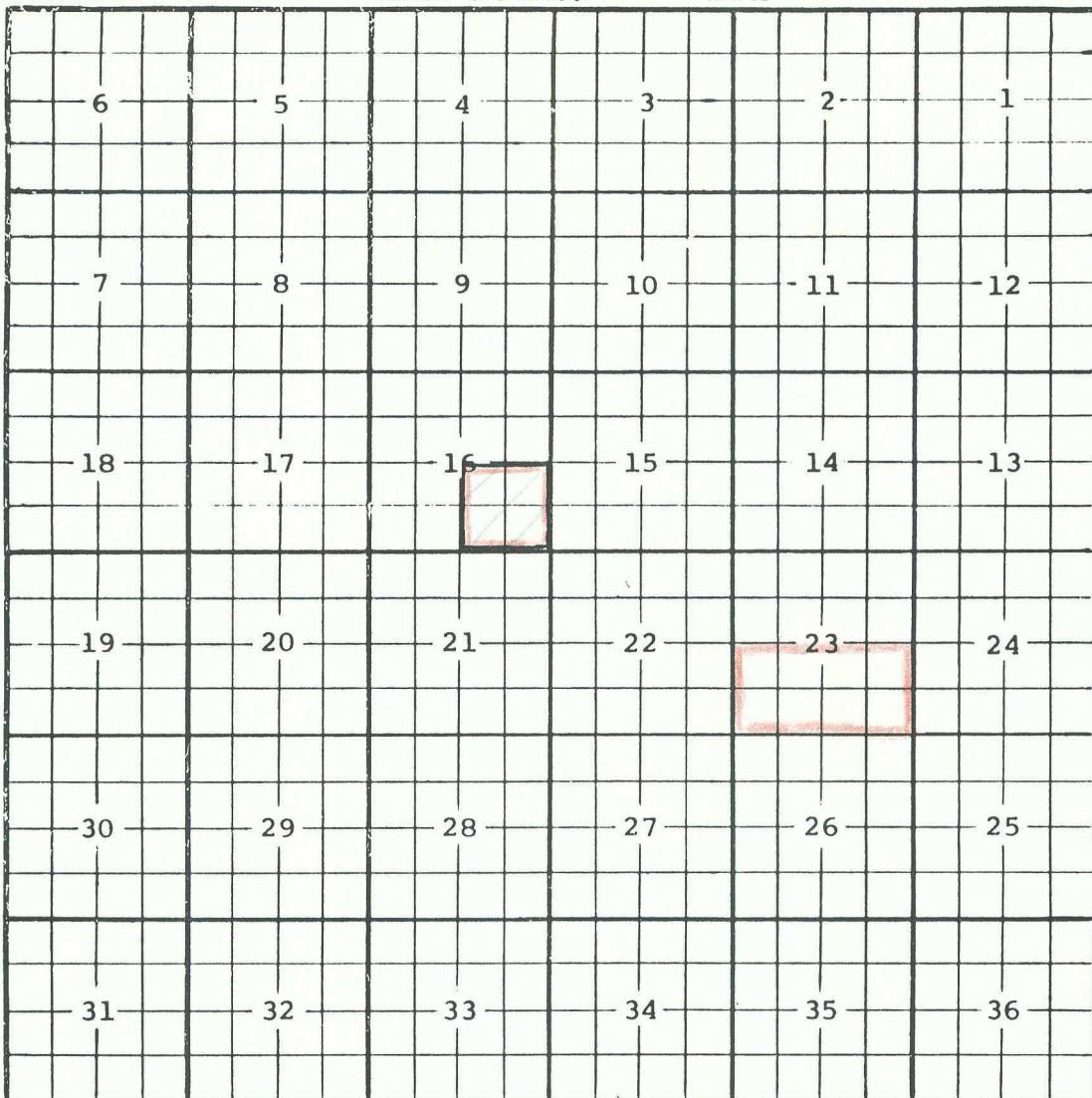
COUNTY Lea

POOL South Buffalo - Pennsylvanian

TOWNSHIP 19 South

RANGE 33 East

NMPM



Description: SE 1/4 Sec. 16 (R-4119, 4-1-71)

COUNTY Lea

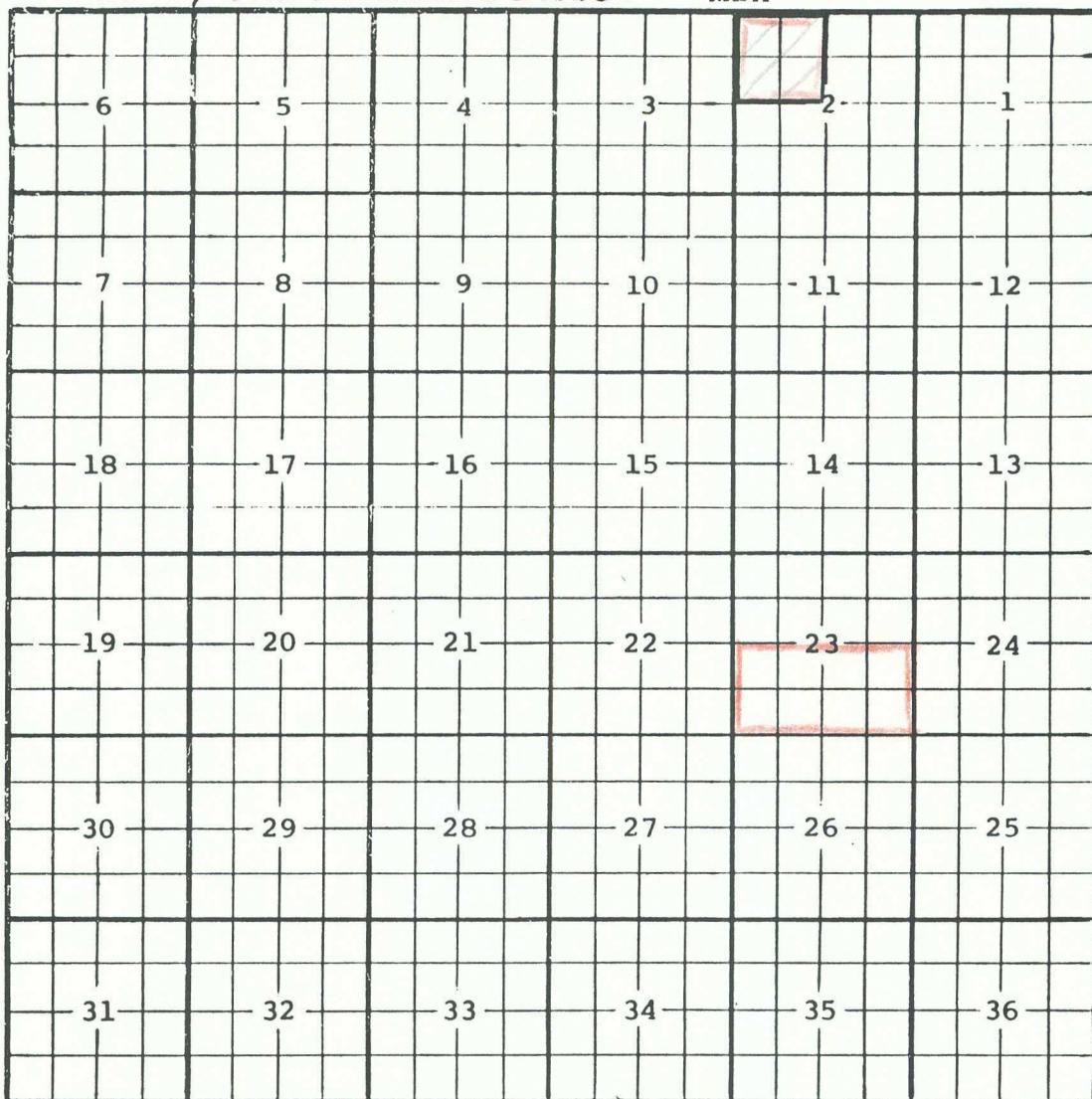
POOL East Buffalo - Pennsylvanian Gas

160

TOWNSHIP 19 South

RANGE 33 East

NMPM



Description: NW 1/4 Sec. 2 (R-2620, 1-1-64)

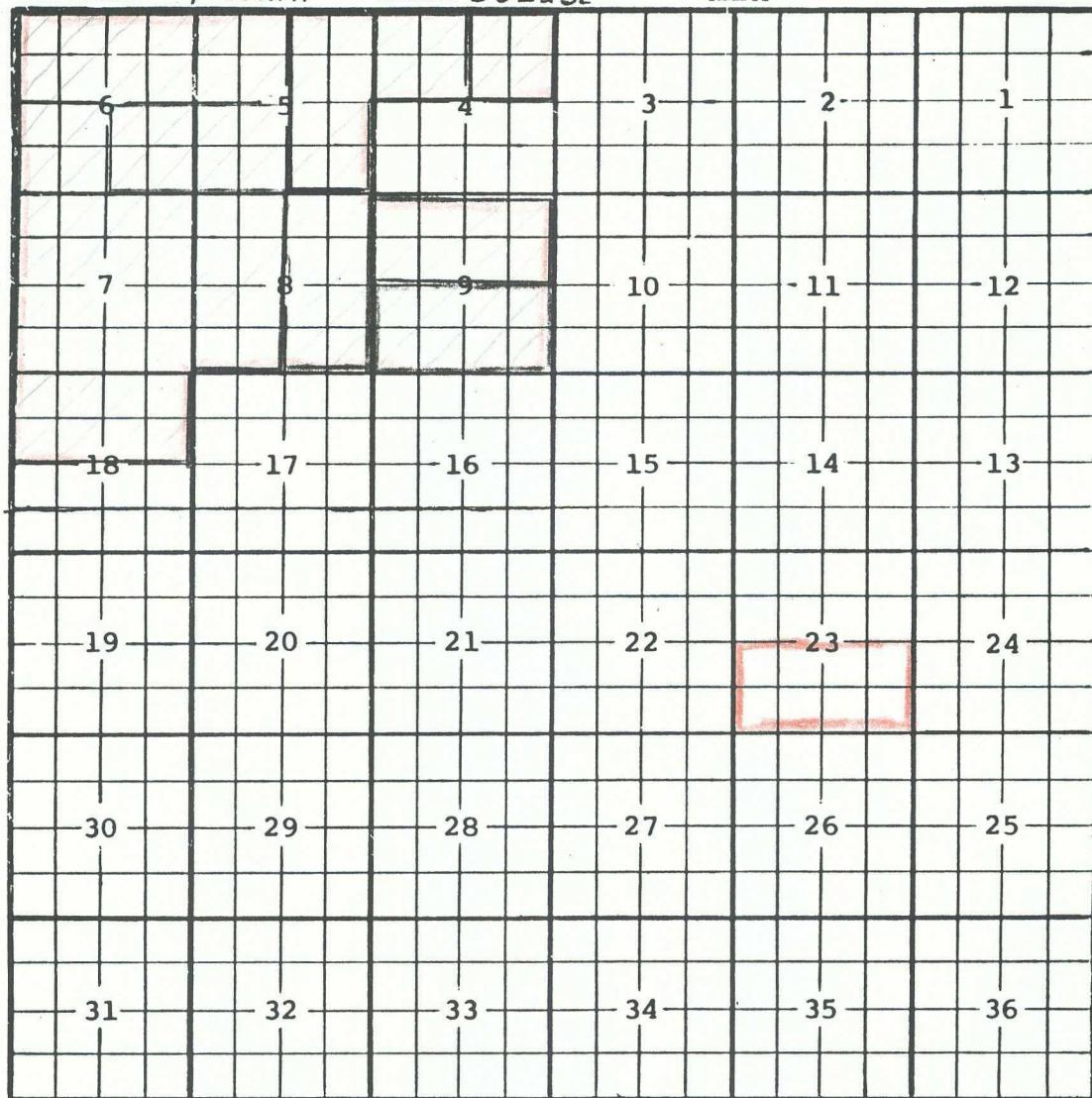
COUNTY Lea

POOL Buffalo - Pennsylvanian Gas

TOWNSHIP 19 South

RANGE 33 East

NMPM



Description: NE $\frac{1}{4}$ Sec. 4 (R-1539, 1-1-60)

Ext: NW $\frac{1}{4}$ Sec. 4; $\frac{1}{2}$ Sec. 5 (R-2620, 1-1-64) Ext: SW $\frac{1}{4}$ Sec 5, -
- SE $\frac{1}{4}$ Sec 6 (R-5781, 9-1-78)

Ext. NW $\frac{1}{4}$ Sec 5, N $\frac{1}{2}$ Sec 6 (R-6033, 7-1-79)

Ext: SW $\frac{1}{4}$ Sec. 6, All Sec. 7, $\frac{1}{2}$ Sec. 8, $\frac{1}{2}$ Sec. 18 (R-6449, 9-1-80)

Ext: E $\frac{1}{2}$ Sec. 8 (R-6476, 10-1-80) Ext: N $\frac{1}{2}$ Sec. 9 (R-6967, 5-6-82)

Ext: Sec. 9, S $\frac{1}{2}$ (R-7114, 10-19-82)

County LFA

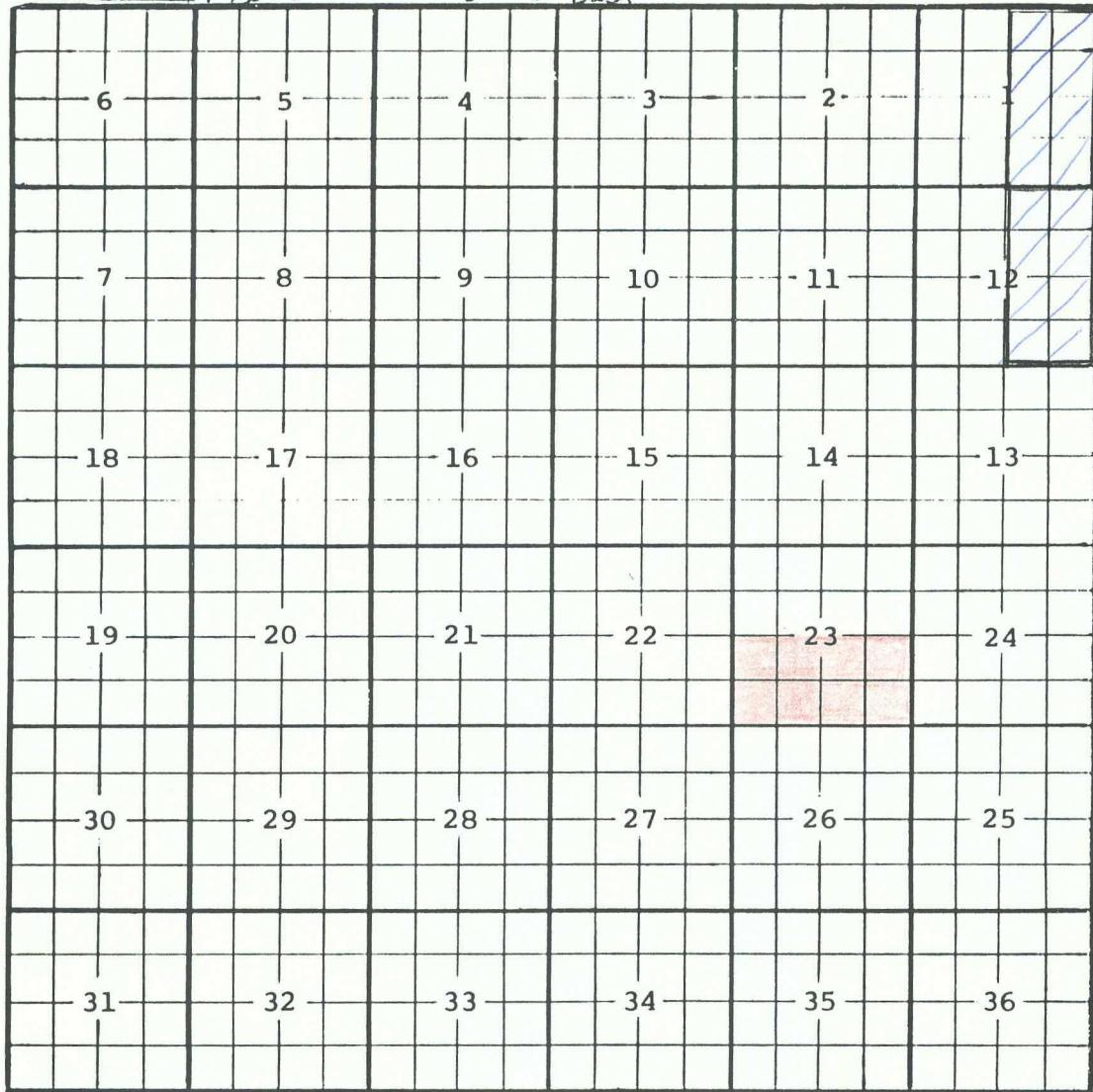
POOL NORTH QUAIL RIDGE - MORROW GAS

820

TOWNSHIP 19 South

Range 33 East

NMPM



Ext: $\frac{1}{2}$ Sec. 12 (R-6328, S-1-80) Ext. $\frac{1}{2}$ Sec 1 (R-6526, 2-10-81)

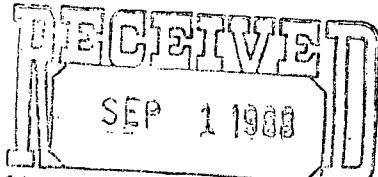


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

8-29-88

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161



OIL CONSERVATION DIVISION
SANTA FE

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC _____
NSL X _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Mitchell Energy Inc. Sapphire Sec #1-J 23-19-33
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK JS

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed