TXO PRODUCTION CORP.
415 WEST WALL, SUITE 900
MIDLAND, TEXAS 79701-4468
(915) 682-7992

July 27, 1990

State of New Mexico
Oil Conservation Division
P. O. Box 2088
State Land Office Bldg.
Santa Fe, NM 87504

Attn: Michael E. Stogner
Chief Hearing Officer/Engineer

Re: Application for Administrative
Approval of Unorthodox Well Location
Challenger-Rayroux #1 Well
660' FSL & FEL (Unit P)
Section 19, T-21-S, R-27-E
Eddy County, New Mexico

Dear Mr. Stogner:

By Division Order No. R-7319, dated July 19, 1983 the above referenced well was approved as an unorthodox gas well location for the Morrow formation.

By Administrative Order MC-3005, TXO was granted auhtorization to dually complete said well in both the Burton-Flat Morrow Gas Pool and the East Carlsbad-Wolfcamp Gas Pool. The dual completion was successful and the well is currently producing from both zones.

By letter dated May 7, 1990, you notified this office that TXO must obtain approval for its unorthodox gas well location in the Wolfcamp formation.

Therefore, TXO hereby requests administrative approval of the unorthodox gas well location in the Wolfcamp formation. The completed interval in the Wolfcamp formation is between 8936' and 8964'. A copy of a current land plat showing all wells drilled in the area along with a plat that clearly sets forth the offset operators are attached. Additionally, notice of this administrative approval request has been sent certified mail to the offset operators. A copy of the notice sent to the offset operators along with the certified mail receipt is attached.

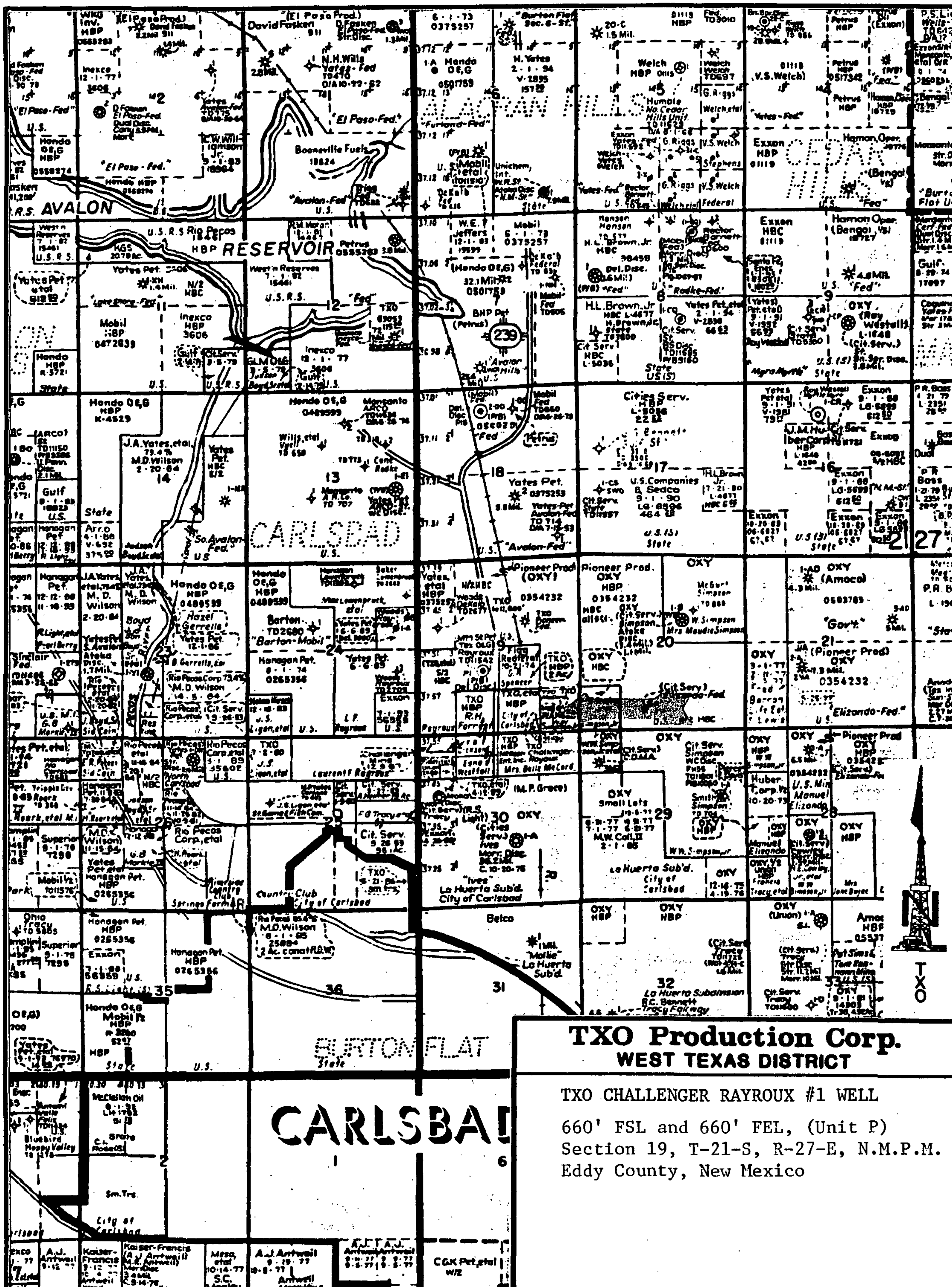
This request for administrative approval of the unorothodox gas well location for the Challenger Rayroux #1 well is made pursuant to Rule 104F. Accordingly, if no offset operator enters an objection within 20 days after your receipt of this application, then TXO requests this application be approved administratively.

Please let me know if yoy have any questions or comments.

Very truly yours,

Richard H. Coats
Senior Landman

RHC/sf
Enclosure



TXO Production Corp.
WEST TEXAS DISTRICT

TXO CHALLENGER RAYROUX #1 WELL

660' FSL and 660' FEL, (Unit P)
Section 19, T-21-S, R-27-E, N.M.P.M.
Eddy County, New Mexico

P 555 984 828

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to: DVY USA Inc	
Street and No.: Box 300	
P.O., State and ZIP Code: Tulsa, OK 74102	
Postage	$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$
Postmark or Date	

PS Form 3800, June 1985

*U.S.G.P.O. 1985-[illegible]

Fold at line over top of envelope to the right of the return address

CERTIFIED

P 555 984 828

MAIL

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. *(Extra charge)*
2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to:
DVY USA Inc.
Box 300
Tulsa, OK 74102

4. Article Number
P 555 984 828

Type of Service:
☐ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address
X

6. Signature — Agent
X

7. Date of Delivery

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

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

P 555 984 825

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to Redfern Enterprises	
Street and No. Box 1747	
P.O. State and ZIP Code Midland 79702	
Postage	$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$
Postmark or Date	

PS Form 3800, June 1985 ☆U.S.G.P.O. 1989-234-555

Fold at line over top of envelope to the right of the return address.

CERTIFIED

P 555 984 825

MAIL

Is your RETURN ADDRESS completed on the reverse side?

● SENDER: Complete items 1, 2, and 3. Add 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 address of delivery. *(Extra charge)*
2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to:
Redfern Enterprises
Box 1747
Midland, Tx 79702

4. Article Number
P 555 984 825

Type of Service:
☐ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address
X

6. Signature — Agent
X

7. Date of Delivery

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

PS Form 3811, Mar. 1988 ☆U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

Thank You for using Return Receipt Service.

P 555 984 826

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Marshall & Winston	
Street and No. Box 50880	
P.O., State and ZIP Code Midland 79710	
Postage	$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	$
Postmark or Date	

PS Form 3800, June 1985 ☆U.S.G.P.O. 1989-234-555

Fold at line over top of envelope to the right of the return address

CERTIFIED

P 555 984 826

MAIL

...completed on the reverse side?

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 address of delivery. (Extra charge)
2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Marshall & Winston Box 50880 Midland, Tx 79710

4. Article Number P 555 984 826

Type of Service:
☐ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

5. Signature — Address
X

6. Signature — Agent
X

7. Date of Delivery

Always obtain signature of addressee or agent and DATE DELIVERED.

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

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

Thank You for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

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. *(Extra charge)*
2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to: [illegible] Company USA Box 1600 Midland Tx 79702	4. Article Number P 555 984 827
	Type of Service: ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ COD ☐ Return Receipt for Merchandise
	Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature — Address X	8. Addressee's Address *(ONLY if requested and fee paid)*
6. Signature — Agent X	
7. Date of Delivery	

PS Form **3811**, Mar. 1988 ★ U.S.G.P.O. 1988-212-865 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE, CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)

1. If you want this receipt postmarked, stick the gummed stub to the right of the return address leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub to the right of the return address of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

☆U.S.G.P.O. 1989-234-555

OFFSET OPERATORS

TXO CHALLENGER RAYROUX #1 WELL

S/2 of Section 19, T-21-S, R-27-E, N.M.P.M.
Eddy County, New Mexico

T-21-S, R-27-E

N/2 of Section 19: TXO Production Corp.

All of Section 20: OXY USA, Inc.
P. O. Box 300
Tulsa, OK 74102

Redfern Enterprises, Inc.
P. O. Box 1747
Midland, TX 79702

All of Section 29: OXY USA, Inc.
P. O. Box 300
Tulsa, OK 74102

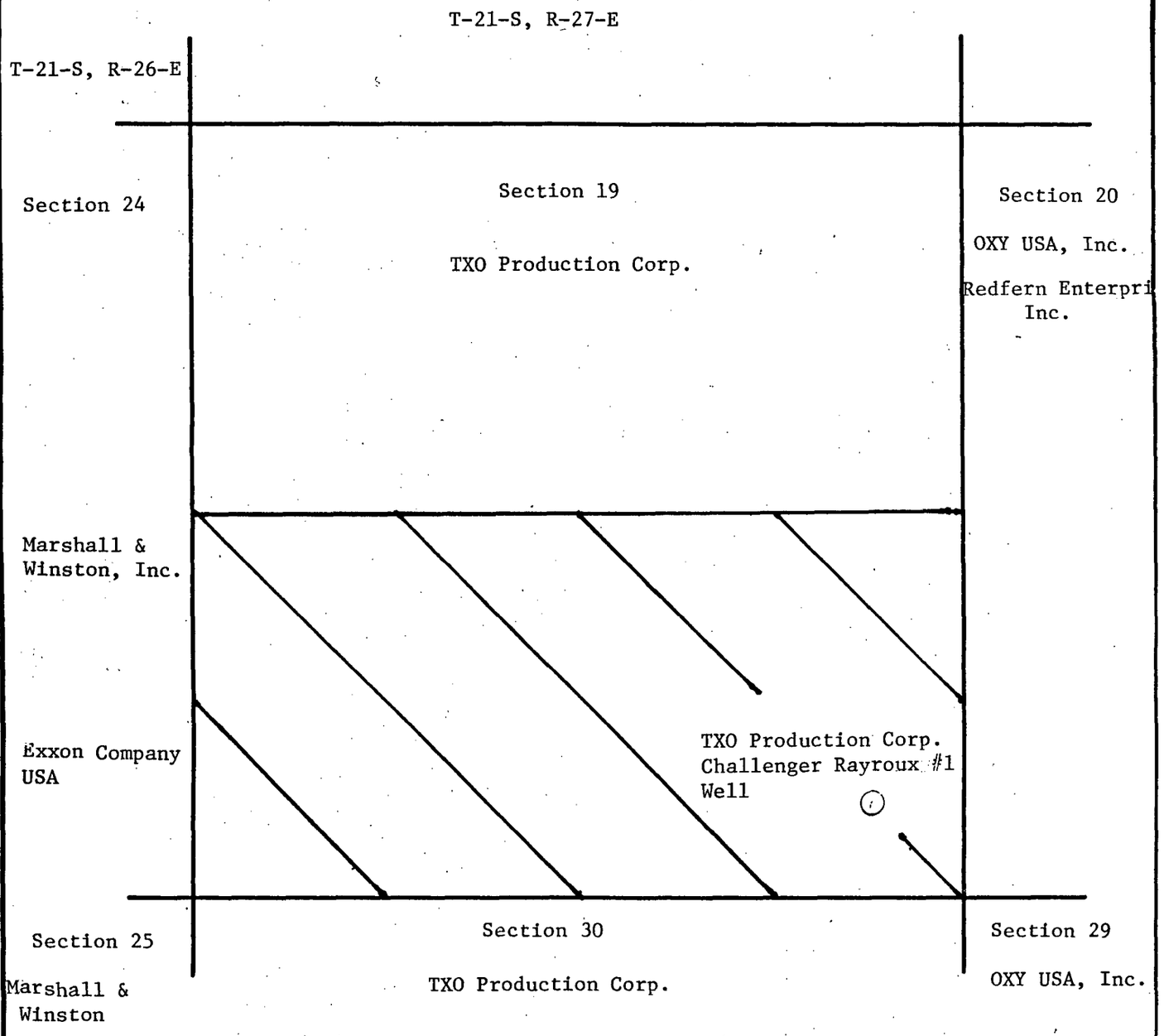
N/2 of Section 30: TXO Production Corp.

T-21-S, R-26-E

N/2 NE/4 of Section 25: Marshall & Winston, Inc.
P. O. Box 50880
Midland, TX 79710

W/2 SE/4, NE/4 SE/4 & SE/4 NE/4
of Section 24: Marshall & Winston, Inc.
P. O. Box 50880
Midland, TX 79710

SE/4 SE/4 of Section 24: Exxon Company USA
P. O. Box 1600
Midland, TX 79702



TXO

TXO Production Corp.

TXO Challenger Rayroux #1 Well

S/2 of Section 19, T-21-S, R-27-E,
N.M.P.M., Eddy County, New Mexico

OFFSET OPERATOR PLAT

Scale: 1" = 1000'