

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW
EL PATIO BUILDING
117 NORTH GUADALUPE
POST OFFICE BOX 2265

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

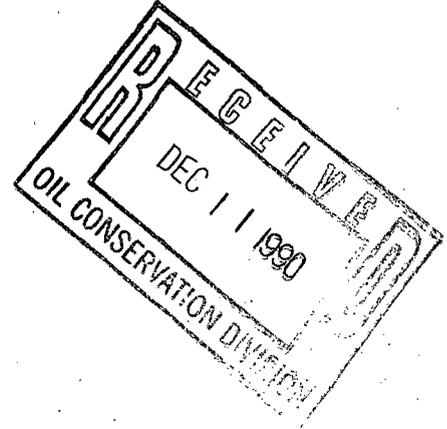
SANTA FE, NEW MEXICO 87504-2265

December 10, 1990

New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Michael E. Stogner

Re: Avon Energy Corporation
Administrative Application for
Unorthodox Well Location in a
Leasehold Waterflood Project,
Turner "B" Federal Well No. 91



Dear Mr. Stogner:

On behalf of Avon Energy Corporation, successor to Socorro Petroleum Company, as operator of the Turner "B" leasehold waterflood project previously approved by Division Order R-3528 (copy enclosed) we request administrative approval of the following unorthodox well location:

Turner "B" Federal Well No. 91
Unit A, Section 29, T17S, R31E
Eddy County, New Mexico
Location: 140 feet FNL and 1300 feet FEL

The Turner "B" leasehold waterflood project is currently being developed with infill wells using a 20-acre well density. The subject well is one of those wells and is proposed for the interior of the unit and is not competitive with offsetting wells outside the unit.

We have enclosed a copy of a plat showing the boundary of the waterflood. Also enclosed is a copy of the Form C-101 and C-102.

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The operator believes that the infill development using the 20-acre density will improve waterflood seep efficiency and will increase secondary oil recovery.

Because the well is not located within 330 feet to any other boundary, we believe no notification to offsetting operators is required.

Avon proposes to commence the well as soon as possible and would appreciate your assistance in processing this request. Please call me if you need any further information or have any questions.

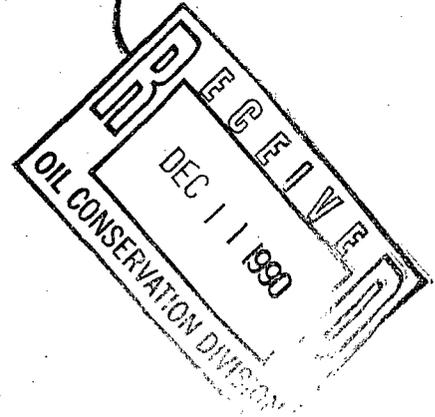
Very truly yours,



W. Thomas Kellahin

WTK/tic
Enclosures

cc: Mr. T. M. Hatfield
BHI Energy Corporation
1153 Dairy Ashford, Suite 803
Houston, Texas 77079



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
LC 029395-B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
--

7. UNIT AGREEMENT NAME
--

8. FARM OR LEASE NAME
Turner "B"

9. WELL NO.
91

10. FIELD AND POOL, OR WILDCAT
Grayburg-Jackson

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Sec. 29-17S-31E

12. COUNTY OR PARISH
Eddy

13. STATE
N.M.

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 IN-FILL WELL SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
AVON ENERGY CORPORATION Ph. 915-683-5449

3. ADDRESS OF OPERATOR
415 W. Wall, Ste. 1810
Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface (Unit A) 140' FNL 1300' FEL Sec. 29-17S-31E
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
5.5 air miles east of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1300'

16. NO. OF ACRES IN LEASE 1786.15

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 765'

19. PROPOSED DEPTH 3500'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3720' GL

22. APPROX. DATE WORK WILL START* As Soon As Possible

23. PROPOSED CASING AND CEMENTING PROGRAM

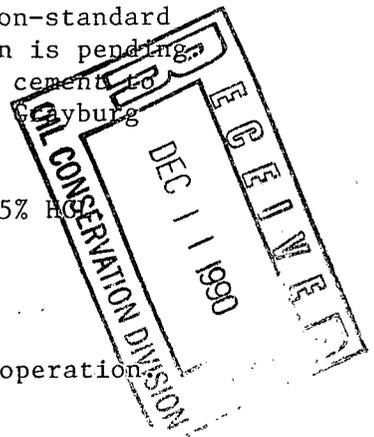
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24.0# J-55	600'±	300 sx Class C (Circulate)
7-7/8"	5-1/2"	15.5# K-55	3500'±	200 sx Class C + 600 sx Lite

Propose to drill to about 3500' and complete as an in-fill non-standard Grayburg producer. State approval of the unorthodox location is pending. Set 5-1/2" production casing to TD, cemented with sufficient cement to isolate all porosity zones. Selectively perforate favorable Grayburg zones.

Run 2-7/8" tubing to perforations and treat formation with 15% Sand-frac formation and test to tanks.

See attached Drilling data and Surface Use Plan.

The surface grazing lessee has been advised of the proposed operation.



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 Jerry W. Long TITLE Permit Agent DATE November 27, 1990
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

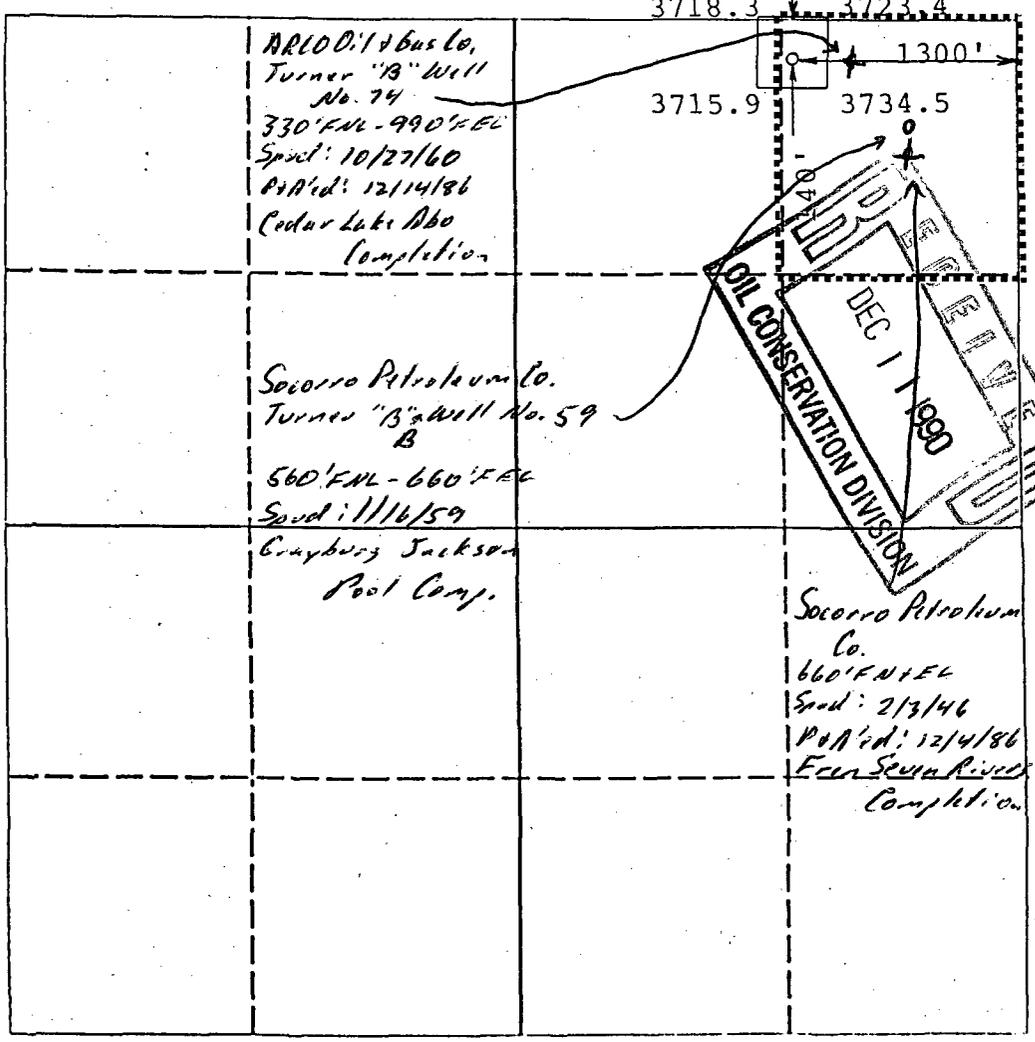
All Distances must be from the outer boundaries of the section

Operator Avon Energy Corporation			Lease Turner "B" Federal		Well No. 91
Unit Letter A	Section 29	Township 17 South	Range 31 East	County Eddy	
Actual Footage Location of Well: 140 feet from the North line and 1300 feet from the East line					
Ground level Elev. 3720	Producing Formation Grayburg		Pool Grayburg-Jackson	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
SINGLE LEASE
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



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

Signature: *Jerry W. Long*
 Printed Name: **JERRY W. LONG**
 Position: **Permit Agent**
 Company: **AVON ENERGY CORPORATION**
 Date: **November 27, 1990**

SURVEYOR CERTIFICATION
 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: **November 27, 1990**
 Signature & Seal of Professional Surveyor: *P.R. Patton*
P.R. Patton
 Registered Professional Land Surveyor
 Certificate No. **8192**

