

OIL CONSERVATION DIVISION
PACIFIC ENTERPRISES OIL COMPANY (USA) DIVISION
RECEIVED

VIA FAX

NSG-2990

February 19, 1991

'91 FEB 27 AM 9 30

SOUTHWEST REGION
200 N. Loraine, #400
P.O. Box 3083
Midland TX 79702-3083
(915) 684-3861
(915) 684-6426 (Fax)

Mr. William J. LeMay
State of New Mexico
Oil Conservation Division
Post Office Box 2208
Santa Fe, New Mexico 87504

RE: Airport Prospect #6290

Boeing Federal Com 2-1
N/2 Section 2, T23S, R26E
Eddy County, New Mexico

Dear Mr. LeMay:
K

Reference is made to our letter of February 1, 1991 requesting an unorthodox location for the drilling of the above referenced well.

Enclosed please find a waiver of objection from Texaco, Inc., one of the offset operators in the area.

Very truly yours,

PACIFIC ENTERPRISES
OIL COMPANY (USA)


M. Craig Clark
Landman

MCC/dsr

PACIFIC ENTERPRISES OIL COMPANY (USA)

CERTIFIED RRR

January 29, 1991

SOUTHWEST REGION
200 N. Loraine, #400
P.O. Box 3083
Midland TX 79702-3083
(915) 684-3861
(915) 684-6426 (Fax)

Texaco, Inc.
Post Office Box 2100
Denver, Colorado 80200

Attention: Mr. David Sleeper

RE: Airport Prospect

Boeing Federal Com 2-1
N/2 Section 2, T-23-S, R-26-E
1980' FNL and 814' FWL
Eddy County, New Mexico

Gentlemen:

Please be advised that Pacific Enterprises Oil Company (USA) is filing an application with the New Mexico Oil Conservation Division for an unorthodox location of the referenced well due to topographic problems.

Enclosed please find a plat indicating our proposed location. As can be seen, we are drilling in the Carlsbad Airport and FAA Regulations require us to remain 750' from the runways.

Pacific Enterprises Oil Company (USA) requests that you waive objection to this location. If you are agreeable to waiving objection to said location, please so indicate by signing below and returning one (1) copy of this letter. Should you have any questions or problems, please do not hesitate to contact.

Very truly yours,

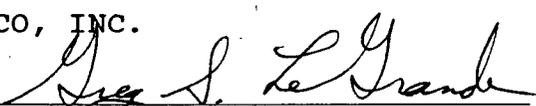
**PACIFIC ENTERPRISES
OIL COMPANY (USA)**


M. Craig Clark
Landman

MCC/dsr

ACCEPTED AND AGREED TO
this 18 day of FEB, 1991

TEXACO, INC.

By: 
Name: _____
Title: AREA EXPLOITATION MANAGER

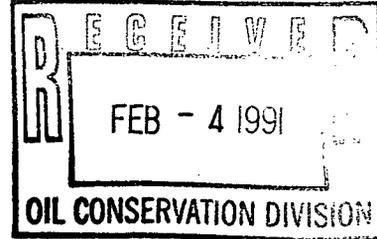
PACIFIC ENTERPRISES OIL COMPANY (USA)

OVERNIGHT

February 1, 1991

SOUTHWEST REGION
200 N. Loraine, #400
P.O. Box 3083
Midland TX 79702-3083
(915) 684-3861
(915) 684-6426 (Fax)

Mr. William J. LeMay
State of New Mexico
Oil Conservation Division
Post Office Box 2208
Santa Fe, New Mexico 87504



RE: Airport Prospect #6290

Boeing Federal Com 2-1
N/2 Section 2, T23S, R26E
Eddy County, New Mexico

Dear Mr. LeMay:

Pacific Enterprise Oil Company (USA) hereby requests approval for an unorthodox location for the above referenced well pursuant to Rule 104 F due to topographical conditions. Said well is to be drilled at a location of 1980' FNL and 814' FWL and is located within the boundary of the Cavern City Airport. The proration unit for said well will be the N/2 due to existing dedication of previous wells drilled under Order Number R-4034 pooling all mineral interests in the South Carlsbad-Strawn, South Carlsbad-Atoka, and South Carlsbad-Morrow Gas pools under the N/2 and the S/2 of Section 2. Neither of these wells have produced since 1986.

In support of our application, we enclose the following:

1. Plat #1 - Indicates the ownership of all offsetting leases and all wells completed thereon.
2. Plat #2 - A topographic map showing our well location being within the boundary of the City of Carlsbad Airport.
3. Plat #3 - Form C-102 indicating the surveyed location of the well and distance of the well location from the Airport runway.
4. Exhibit A- Copy of subordination of surface rights from Michael P. Grace, etux to the Cavern City Air Terminal wherein Grace agrees not to erect any structure within 750' of the runway.

Mr. William J. LeMay
State of New Mexico
February 1, 1991
Page 2

5. Exhibit B - Copies of our letters to the offset operators notifying them of our intention of filing for an unorthodox location of the subject well and requesting waivers from them.

Should you require any further information or have any questions, please do not hesitate to contact either myself or our attorney Mr. W. Perry Pearce of the Montgomery and Andrews Firm in Santa Fe at (505) 982-3873.

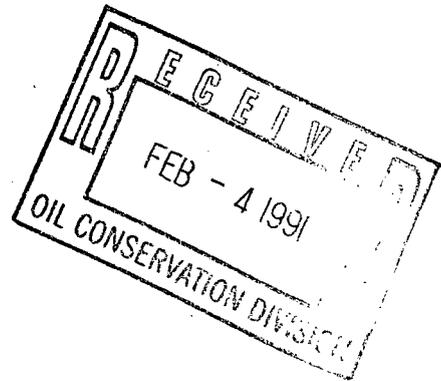
Very truly yours,

PACIFIC ENTERPRISES
OIL COMPANY (USA)

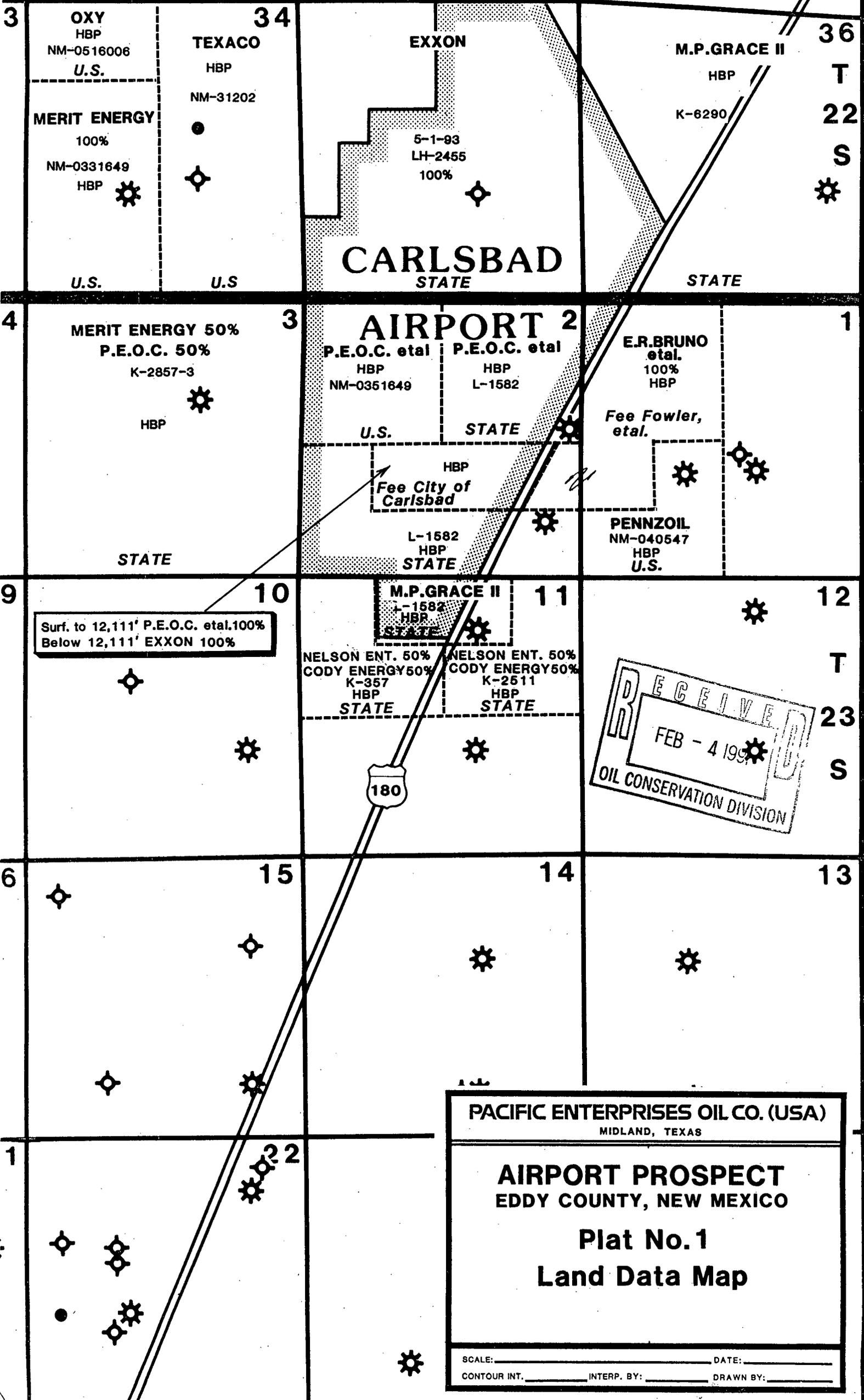

M. Craig Clark
Landman

MCC/dsr

cc: Mr. W. Perry Pearce
Montgomery and Andrews
P.O. Box 2307
Santa Fe, NM 87504



R-26-E



Surf. to 12,111' P.E.O.C. et al. 100%
 Below 12,111' EXXON 100%

RECEIVED
 FEB - 4 1995
 OIL CONSERVATION DIVISION

PACIFIC ENTERPRISES OIL CO. (USA)
 MIDLAND, TEXAS

AIRPORT PROSPECT
 EDDY COUNTY, NEW MEXICO

Plat No. 1
Land Data Map

SCALE: _____ DATE: _____
 CONTOUR INT. _____ INTERP. BY: _____ DRAWN BY: _____

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

State of New Mexico
 Energy, Minerals and Natural Resources Dept. at

Form C-182
 Revised 1-1-89

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., Artesia, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
 All Distances must be from the outer boundaries of the section

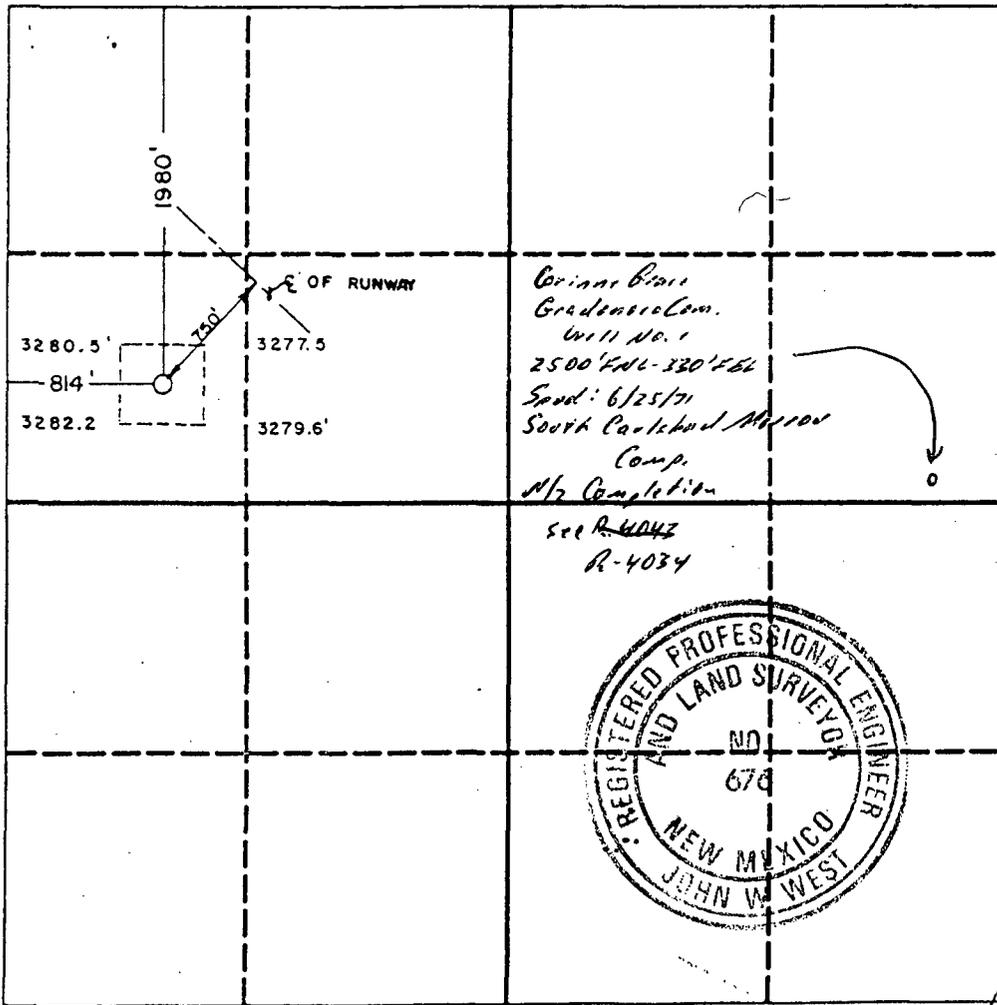
Operator PACIFIC ENTERPRISES OIL CO. USA			Lease BOEING FEDERAL 2 COM.		Well No. 1
Unit Letter E	Section 2	Township 23 SOUTH	Range 26 EAST	County EDDY	
Actual Footage Location of Well: 814 feet from the WEST line and 1980 feet from the NORTH line					
Ground level Elev. 3279.8	Producing Formation		Pool	Dedicated Acreage: Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure 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).
- 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.

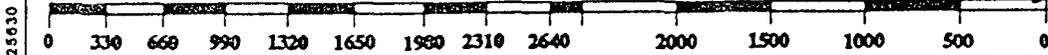
Signature _____
 Printed Name _____
 Position _____
 Company _____
 Date _____

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 **11-30-90**

Signature & Seal of Professional Surveyor

 Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239



PACIFIC ENTERPRISES OIL CO. (USA)
 MIDLAND, TEXAS

AIRPORT PROSPECT
EDDY COUNTY, NEW MEXICO

Plat No.3

SCALE: _____ DATE: _____
 CONTOUR INT. _____ INTERP. BY: _____ DRAWN BY: _____

REVISED	
DATE	BY



125630

SUBORDINATION OF SURFACE RIGHTS.

KNOW ALL MEN BY THESE PRESENTS:

That MICHAEL P. GRACE and CORINNE GRACE, his wife, Houston First Savings Building, 711 Fannin St., Houston, Texas, are the owners of certain mineral and mining rights in the land hereinafter described by virtue of the terms and provisions of the instruments K-6290 and L-1582 on file in the Office of the State Land Commissioner, Santa Fe, New Mexico, and a certain oil and gas lease recorded in Book 74, Page 16 of the Records of the Clerk of Eddy County, Carlsbad, New Mexico, or by virtue of said owners being named the operators of a force pooled unit by order of the New Mexico State Oil and Gas Commission. Said owners do, in consideration of the payment to them of the sum of \$(4en)10. receipt whereof is hereby acknowledged, hereby waive the priority of their use of the surface on the mineral and mining rights and agree that they shall be subject to the surface rights of the Cavern City Air Terminal for the life of said airport in the following respects and none other:

Lessee shall give the Federal Aviation Administration, Airport District Office, P. O. Box 8502, Albuquerque, New Mexico, 87103, and City of Carlsbad, P. O. Box 1569, Carlsbad, New Mexico, 88220, thirty (30) days advanced written notice of the spudding of any contemplated well on the herein described property.

It is agreed that no structures or obstructions, temporary or otherwise, shall be erected within 750 feet perpendicular distance from and on each side of the centerline of all runways and their extensions to the airport boundaries, except that the distance shall be 350 feet with respect to Runway 14L/32R, and within 150 feet perpendicular distance from and on each side of the centerline of all taxiways; also, no struc-

C. D.
MG

tures or obstructions, temporary or otherwise, shall be erected on or within 150 feet from the aircraft parking apron; also, that no structure shall be established nearer than 200 feet from any building; nor shall any structure placed on the airport by Lessee be of a height greater than 150 feet from the level of the runway at the nearest point; and no structure or obstruction as aforesaid shall be erected in the clear zones at the ends of runways in violation of approach surface clearances and transition zones as provided in Part 77 of Federal Aviation Regulations to the airport boundaries. The restrictions stated in this paragraph are portrayed graphically on the "layout plan and mineral exploration areas" drawing by D. F. Molzen and Associates, dated 2 July, 1971, which is incorporated herein by this reference. A copy of said document is on file and available for inspection at the office of Mr. Claude McCaulsard, Airport Manager of the City of Carlsbad, New Mexico.

In the event a well is drilled on the herein described property such drilling operations shall be prosecuted continuously until same results in production or a dry hole. All temporary structures used in such drilling operations shall be painted and lighted in such manner as prescribed by FAA. No permanent structures of any kind used in the production or transportation of oil, gas, and other minerals shall be placed on the herein described property in such a manner as to interfere with or introduce hazard in the operation of aircraft.

In the event any drilling operations for oil, gas, or other minerals result in production, Lessee at his own expense shall immediately remove all temporary structures and place all semipermanent or permanent equipment in such manner as will not interfere with or introduce any

C. H.
M9

hazard to the operation of aircraft. In the event such drilling operations result in dry hole, Lessee shall at his own expense immediately remove all temporary structures used in such operations and level the area so that it may be safely used for airport purposes.

In traversing the airport with vehicles or conduits, Lessee shall abide by all reasonable and lawful rules and regulations established by airport owner relative to surface traffic and installation of conduits on the airport.

Lessee shall not interfere with established access or entrance roads to the airport.

Lessee shall not interfere with other persons having a lawful right to use the airport.

Lessee agrees to bury conduits in locations and at depths which will not interfere with airport operations or developments. This agreement is conditioned upon the Cavern City Air Terminal proceeding to extend runways in accordance with the above mentioned layout plan. It shall not apply (a) to work heretofore done or in the process of being done by the undersigned, (b) to existing conduits, (c) to preclude the undersigned from performing workover and abandonment work on any well.

That part of the above described land affected by this agreement is located and described as follows:

Those parts of the following Sections lying West of U. S. Highway 62-180:

The S/2 Section 25, Township 22 South, Range 26 East; Section 36, Township 22 South, Range 26 East; Section 2, Township 23 South, Range 26 East; the NE/4NW/4, and the NW/4NE/4, Section 11, Township 23 South, Range 26 East.

WITNESS our hands this 92 day of July, 1971.

Michael P. Grace
MICHAEL P. GRACE

Corinne Grace
CORINNE GRACE

