

BILL SELTZER

214 WEST TEXAS, SUITE 507
MIDLAND, TEXAS 79701

August 29, 1991

RECEIVED

SEP 05 1991

OIL CONSERVATION DIVISION

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

Re: Application of Collins & Ware, Inc. for Administrative
Approval of an Unorthodox location for its No. I Sharp Nose
Federal located 2395' FSL and 2065' FEL, Section 13, T-20-S,
R-33-E, Lea County, New Mexico

Dear Mr. LeMay:

Collins & Ware, Inc. hereby requests administrative approval of an unorthodox well location for its No. I Sharp Nose Federal Well. The proposed location will be a Morrow formation test in the Undesignated Teas-Pennsylvanian Gas Pool and Undesignated Quail Ridge-Morrow Gas Pool at a point 2395' from the South Line and 2065' from the East Line of Section 13, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This unorthodox location is necessary due to potash restriction which requires we must be within a radius of 100' of an existing well. Collins & Ware, Inc. received approval of an unorthodox location in Case No. 10314 and Order No. R-9523, however upon staking the location on the ground the BLM inspector from Carlsbad, New Mexico, would not approve the surface location because of 9' Sand Dunes.

This new location has been approved by Tony Herrell, geologist for the BLM in Carlsbad, New Mexico.

OXY USA Inc. is the offset Operator of the offsetting spacing units to the East, Northeast, and Southeast. Enron Oil & Gas, Collins & Ware, Inc. and Union Texas operate properties to the South and Southwest. Hudson & Hudson, Anadarko Petroleum Corp. and ORYX Energy operate properties to the West and Northwest. Collins & Ware, Inc. operates the property directly to the North of the proposed spacing Unit.

Attached to this application are letters requesting Waivers from all offsetting Operators.

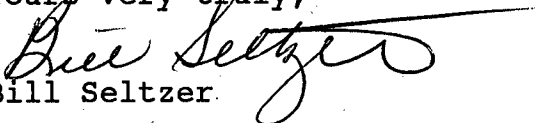
The attached plat also indicates the South-Half (S/2) of Section 13, T-20-S, R-33-E, has been dedicated as acreage for the proration unit and identifying the ownership of the offsetting operators.

After 20 days from the date of this application and in the absence of the offset operators executing Waivers signifying each party does not object to the unorthodox gas well location, we request the Division Director to grant Collins & Ware, Inc. an exception to this location based upon topographical conditions.

I will forward you geological maps the first week of September, 1991.

Your consideration of this administrative application is appreciated.

Yours very truly,


Bill Seltzer

BS/kp
Atchs.

cc: Collins & Ware, Inc.
600 W. Illinois, Suite 701
Midland, Texas 79701

Mr. Jerry Sexton, Supervisor
Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico 88240

Mr. William F. Carr
Campbell & Black, PA
P.O. Box 2208
Santa Fe, New Mexico 87504-2208

LIST OF OFFSET OPERATORS

OXY USA Inc. ✓
P.O. Box 50250
Midland, Texas 79710
Attn: Mr. Pat McGee

Anadarko Petroleum Corporation ✓
P.O. Box 2497
Midland, Texas 79702
Attn: Mr. Michael R. Goode

Union Texas Petroleum Corporation ✓
4000 N. Big Spring, Suite 400
Midland, Texas 79705
Attn: Mr. Tom Woolley

Hudson & Hudson ✓
616 Texas Street
Fort Worth, Texas 76102-4612
Attn: Land Dept.

Enron Oil & Gas ✓
P.O. Box 2267
Midland, Texas 79702
Attn: Mr. Frank Estep

ORYX Energy Company ✓
8150 N. Central Expressway
Dallas, Texas 75221
Attn: Mr. Alan Beers

BILL SELTZER

214 WEST TEXAS, SUITE 507
MIDLAND, TEXAS 79701

Certified #P 046 665 780

August 29, 1991

Re: T-20-S, R-33-E
Section 13: S/2
Lea County, New Mexico

TO THE ATTACHED LIST
OF OFFSET OPERATORS

Gentlemen:

I am representing Collins & Ware, Inc. of Midland, Texas

Collins & Ware, Inc. proposes to drill a 13,750' Morrow test well to be located 2395' FSL and 2065' FEL of Section 13, T-20-S, R-33-E, Lea County, New Mexico, immediately.

Collins & Ware, Inc. received approval from the OCD, State of New Mexico, to drill this test well at a location 2210' FSL and 1980' FEL of Section 13, T-20-S, R-33-E, however upon staking this location the BLM inspector in Carlsbad, New Mexico, refused to approve the location as it falls on a 9 foot sand dune. We therefore were required to locate the well as set out in paragraph 1 above.

The BLM inspector has approved the above location of 2395' FSL and 2065' FEL of Section 13. This location however is unorthodox and we must have the approval of the Oil Conservation Division, Santa Fe, New Mexico.

We are today requesting the OCD for an administrative approval of this unorthodox gas well location and we request each of you to execute the attached Waiver and return same in the enclosed envelop.

Your immediate attention will be appreciated.

Yours very truly,


Bill Seltzer

BS/kp
Atchs.

WAIVER

The undersigned party does not object to Collins & Ware, Inc.'s application to drill a 13,750' Morrow test well at an unorthodox location in Lea County, New Mexico, to-wit:

2395' FSL and 2065' FEL
Section 13, T-20-S, R-33-E
Lea County, New Mexico

OXY USA INC.

By: _____
Printed Name: _____
Title: _____

BILL SELTZER
214 WEST TEXAS, SUITE 507
MIDLAND, TEXAS 79701

Certified # P 046 665 781

August 29, 1991

Re: T-20-S, R-33-E
Section 13: S/2
Lea County, New Mexico

TO THE ATTACHED LIST
OF OFFSET OPERATORS

Gentlemen:

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Bill Seltzer

BS/kp
Atchs.

WAIVER

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2395' FSL and 2065' FEL
Section 13, T-20-S, R-33-E
Lea County, New Mexico

ANADARKO PETROLEUM CORPORATION

By: _____
Printed Name: _____
Title: _____

BILL SELTZER

214 WEST TEXAS, SUITE 507
MIDLAND, TEXAS 79701

Certified # P 046 665 782

August 29, 1991

Re: T-20-S, R-33-E
Section 13: S/2
Lea County, New Mexico

TO THE ATTACHED LIST
OF OFFSET OPERATORS

Gentlemen:

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Yours very truly,


Bill Seltzer

BS/kp
Atchs.

WAIVER

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2395' FSL and 2065' FEL
Section 13, T-20-S, R-33-E
Lea County, New Mexico

UNION TEXAS PETROLEUM CORPORATION

By: _____
Printed Name: _____
Title: _____

BILL SELTZER214. WEST TEXAS, SUITE 507
MIDLAND, TEXAS 79701

Certified # P 046 665 783

August 29, 1991

Re: T-20-S, R-33-E
Section 13: S/2
Lea County, New MexicoTO THE ATTACHED LIST
OF OFFSET OPERATORS

Gentlemen:

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Yours very truly,


Bill SeltzerBS/kp
Atchs.

WAIVER

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2395' FSL and 2065' FEL
Section 13, T-20-S, R-33-E
Lea County, New Mexico

HUDSON & HUDSON

By: _____
Printed Name: _____
Title: _____

BILL SELTZER

214 WEST TEXAS, SUITE 507
MIDLAND, TEXAS 79701

Certified #P 046 665 784

August 29, 1991

Re: T-20-S, R-33-E
Section 13: S/2
Lea County, New Mexico

TO THE ATTACHED LIST
OF OFFSET OPERATORS

Gentlemen:

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Bill Seltzer

BS/kp
Atchs.

WAIVER

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2395' FSL and 2065' FEL
Section 13, T-20-S, R-33-E
Lea County, New Mexico

ENRON OIL & GAS

By: _____
Printed Name: _____
Title: _____

BILL SELTZER

214 WEST TEXAS, SUITE 507

MIDLAND, TEXAS 79701

Certified #P 046 665 785

August 29, 1991

Re: T-20-S, R-33-E
Section 13: S/2
Lea County, New Mexico

TO THE ATTACHED LIST
OF OFFSET OPERATORS

Gentlemen:

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2395' FSL and 2065' FEL
Section 13, T-20-S, R-33-E
Lea County, New Mexico

ORYX ENERGY COMPANY
(Sun Exploration)

By: _____
Printed Name: _____
Title: _____

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

DISTRICT I
P.O. Box 1580, Hobbs, NM 88240

DISTRICT II
P.O. Box 100, Azusa, NM 88210

DISTRICT III
1000 Rio Grande Rd., Azusa, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator COLLINS & WARE INC.			Lease SHARP NOSE FEDERAL		Well No. 1
Unit Letter J	Section 13	Township 20 SOUTH	Range 33 EAST	County LEA	
Actual Footage Location of Well: 2395 feet from the SOUTH line and 2065 feet from the EAST line					
Ground level Elev. 3610.0	Producing Formation	Pool	Dedicated Acreage: Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or ink on the plat below.

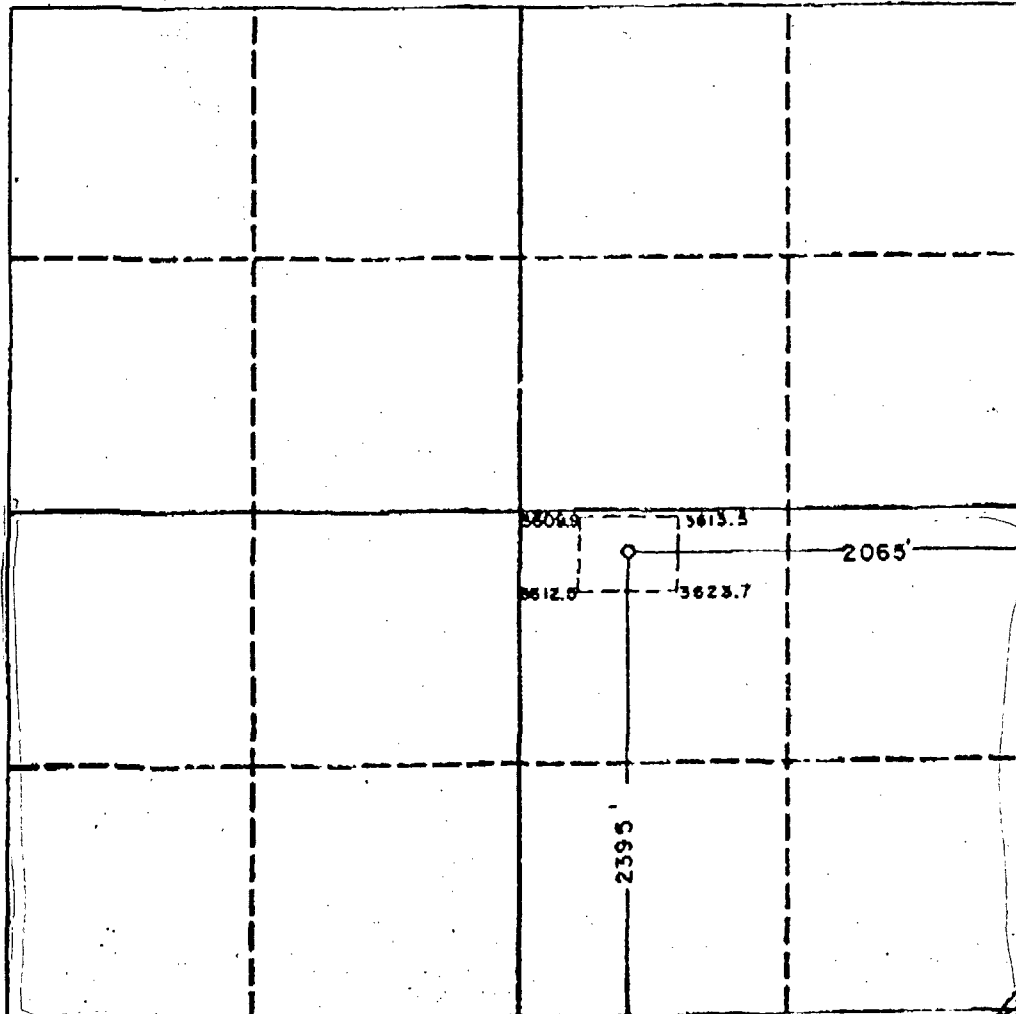
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the 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 allowance 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

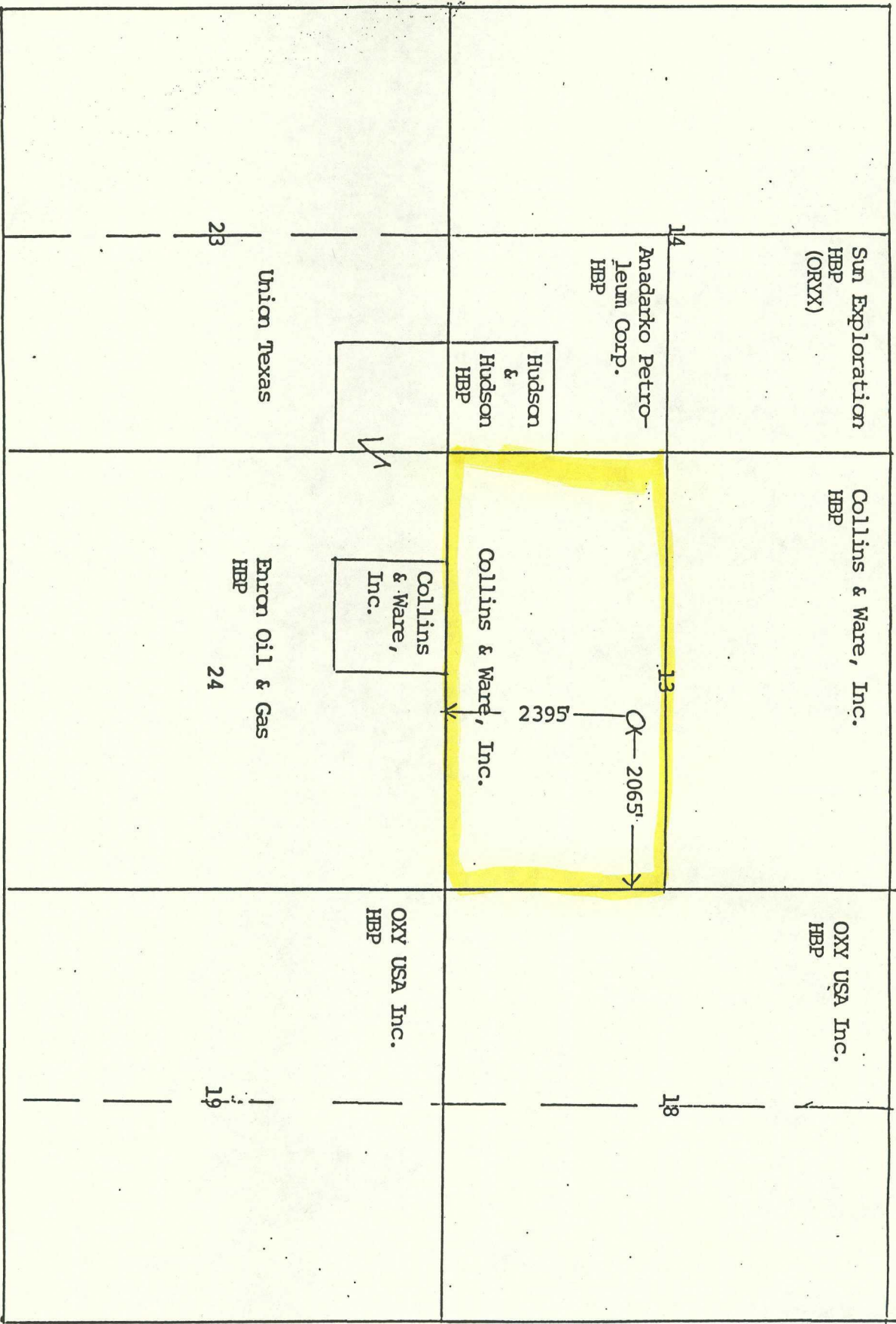
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed:

8-27-91

Signature & Seal of Professional Surveyor

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3259



Collins & Ware, Inc.
No. 1 Sharp Nose Federal
2065' FEL, 2395' FSL
T-20-S, R-33-E
Section 13
Lea County, New Mexico