

 PENNZOIL EXPLORATION AND PRODUCTION COMPANY
PENNZOIL PLACE • P.O. BOX 2967 • HOUSTON, TEXAS 77252-2967 • (713) 546-8435

GEORGE P. SanFILIPPO
Vice President
Western Production Division

REC'D. / MIDLAND

NOV 20 1991

November 15, 1991

Cross Timbers Operating Company
P.O. Box 50847
Midland, Texas 79710

Attention: Gary L. Markestad

Reference: **Unorthodox Location**
SMGSAU Tract 9, Well No. 6
Section 32, T17S-R33E
Lea County, New Mexico

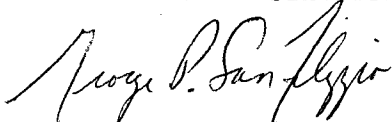
Dear Sirs:

Attached please find one executed copy of our approval for your unorthodox drilling on the above referenced location.

If you have any questions, please contact me at (713) 546-8435.

Sincerely,

PENNZOIL EXPLORATION AND PRODUCTION COMPANY



George P. SanFilippo
Vice President - Western Production

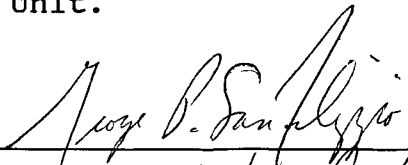
GPS/sjw
085-1115

REC'D. / MIDLAND

NOV 20 1991

Pennzoil Exploration and Production Company has been advised of Cross Timbers Operating Company's intent to drill the SMGSAU Tract 9 Well No. 6 at 950' FEL, 1,200' FNL of Section 32, T17S, R33E, NMPM.

Pennzoil Exploration and Production Company has no objection to an administrative approval for an unorthodox location for secondary recovery purposes in the interior of the Southeast Maljamar Grayburg-San Andres Unit.



V.P. Western Production Division

Pennzoil Exploration and Production Co.



Cross Timbers Operating Company

November 18, 1991

*Received
11/26/91*

Mr. Michael Stogner
Oil Conservation Division
P. O. Box 2088
Sante Fe, New Mexico 87504

Re: Unorthodox Location
SMGSAU Tract 9 Well No. 6
950' FEL, 1,200' FNL
Unit A, Section 32, T17S, R33E
Lea County, New Mexico

Dear Mr. Stogner:

Cross Timbers Operating Company respectfully requests administrative approval to drill the captioned well at an unorthodox location.

It is Cross Timbers' opinion that a well at this location will respond to the secondary recovery efforts in the SMGSAU and recover oil that cannot be recovered by any other well in the unit.

All offset operators have been notified of Cross Timbers Operating Company's intent to drill the captioned well by a copy of this application. Waivers of objection to administrative approval of this application are enclosed.

Thank you for your consideration of this matter.

Sincerely,

CROSS TIMBERS OPERATING COMPANY

Gary L. Markestad
Operations Engineer

GLM/kg
Attachment

cc: GLM File
Well File
NMOCD - Hobbs

Submit to Appropriate
District Office
State Lease - 6 copies
For Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

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

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

API NO. (assigned by OCD on New Wells)	
5. Indicate Type of Lease STATE ☒ FEE ☐	
6. State Oil & Gas Lease No. B-2516	
7. Lease Name or Unit Agreement Name SMGSAU Tract 9	
8. Well No. 6	
9. Pool name or Wildcat Maljamar (G-SA)	
10. Well Location Unit Letter <u>A</u> : <u>950</u> Feet From The <u>East</u> Line and <u>1,200</u> Feet From The <u>North</u> Line Section <u>32</u> Township <u>17S</u> Range <u>33E</u> NMPM <u>Lea</u> County	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL ☒ RE-ENTER ☐ DEEPEN ☐ PLUG BACK ☐		7. Lease Name or Unit Agreement Name SMGSAU Tract 9			
b. Type of Well: OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐		8. Well No. 6			
2. Name of Operator Cross Timbers Operating Company		9. Pool name or Wildcat Maljamar (G-SA)			
3. Address of Operator P. O. Box 50847, Midland, Texas 79710		10. Well Location Unit Letter <u>A</u> : <u>950</u> Feet From The <u>East</u> Line and <u>1,200</u> Feet From The <u>North</u> Line Section <u>32</u> Township <u>17S</u> Range <u>33E</u> NMPM <u>Lea</u> County			
4. Well Location Unit Letter <u>A</u> : <u>950</u> Feet From The <u>East</u> Line and <u>1,200</u> Feet From The <u>North</u> Line Section <u>32</u> Township <u>17S</u> Range <u>33E</u> NMPM <u>Lea</u> County		11. Formation San Andres			
13. Elevations (Show whether DF, RT, GR, etc.) 4,050.9' (GR)		12. Rotary or C.T. Rotary			
14. Kind & Status Plug. Bond Blanket		15. Drilling Contractor Peterson			
16. Approx. Date Work will start 11/15/91		17. PROPOSED CASING AND CEMENT PROGRAM			
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	23#	300'	200	Surface
7-7/8"	5-1/2"	15.5#	4,600'	1,150	Surface

Drill 12-1/4" hole to 300'.

Set & cmt 8-5/8" 23# LS csg w/200sx Class "C" w/2% CaCl.

Drill 7-7/8" hole to 4,600' using 10# brine wtr, starch & salt gel.

Set & cmt 5-1/2" 15.5# J-55 csg w/900sx Lite & 250sx Class "C" (cmt vol may vary depending on calipered hole vol).

BOP Program:

11", 3,000 psi, hydraulically operated double ram.

(1) pipe ram, (1) blind ram.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE Gary L. Markestad TITLE Operations Engineer DATE 11/6/91
TYPE OR PRINT NAME Gary L. Markestad TELEPHONE NO (915)682-8873

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

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

State of New Mexico
Energy, Minerals and Natural Resources Department

REC'D. / MIDLAND

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

NOV - 4 1991

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

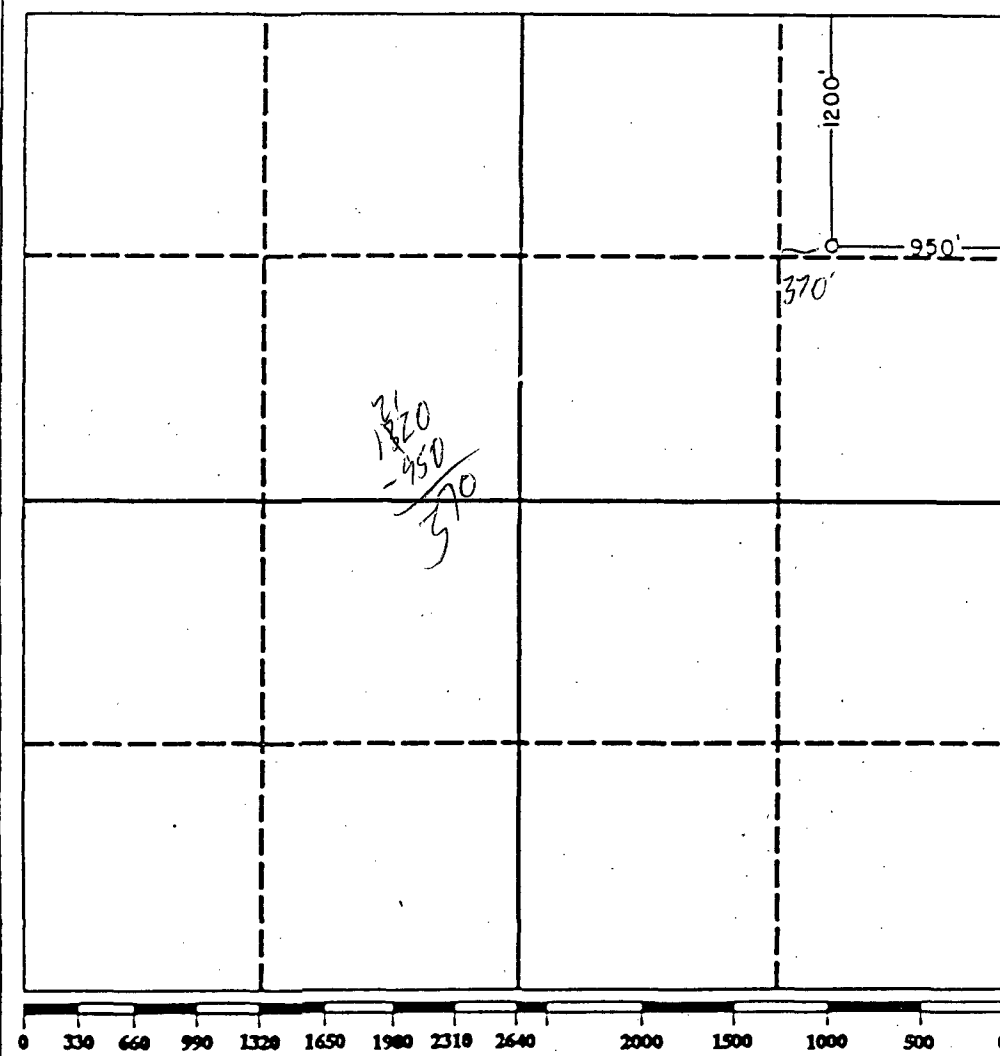
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Cross Timbers Operating Company			Lease SMGSAU Tract 9		Well No. 6
Unit Letter A	Section 32	Township 17 South	Range 33 East	County NMNM	Lea
Actual Footage Location of Well: 1200 feet from the North line and 950 feet from the East line					
Ground level Elev. 4050.9	Producing Formation Grayburg-San Andres		Pool Maljamar (G-SA)	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatch 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 Unitized (1080 acres)
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

Gary L. Markestad

Printed Name

Gary L. Markestad

Position

Operations Engineer

Company

Cross Timbers Operating Company

Date

November 6, 1991

SURVEYOR CERTIFICATION

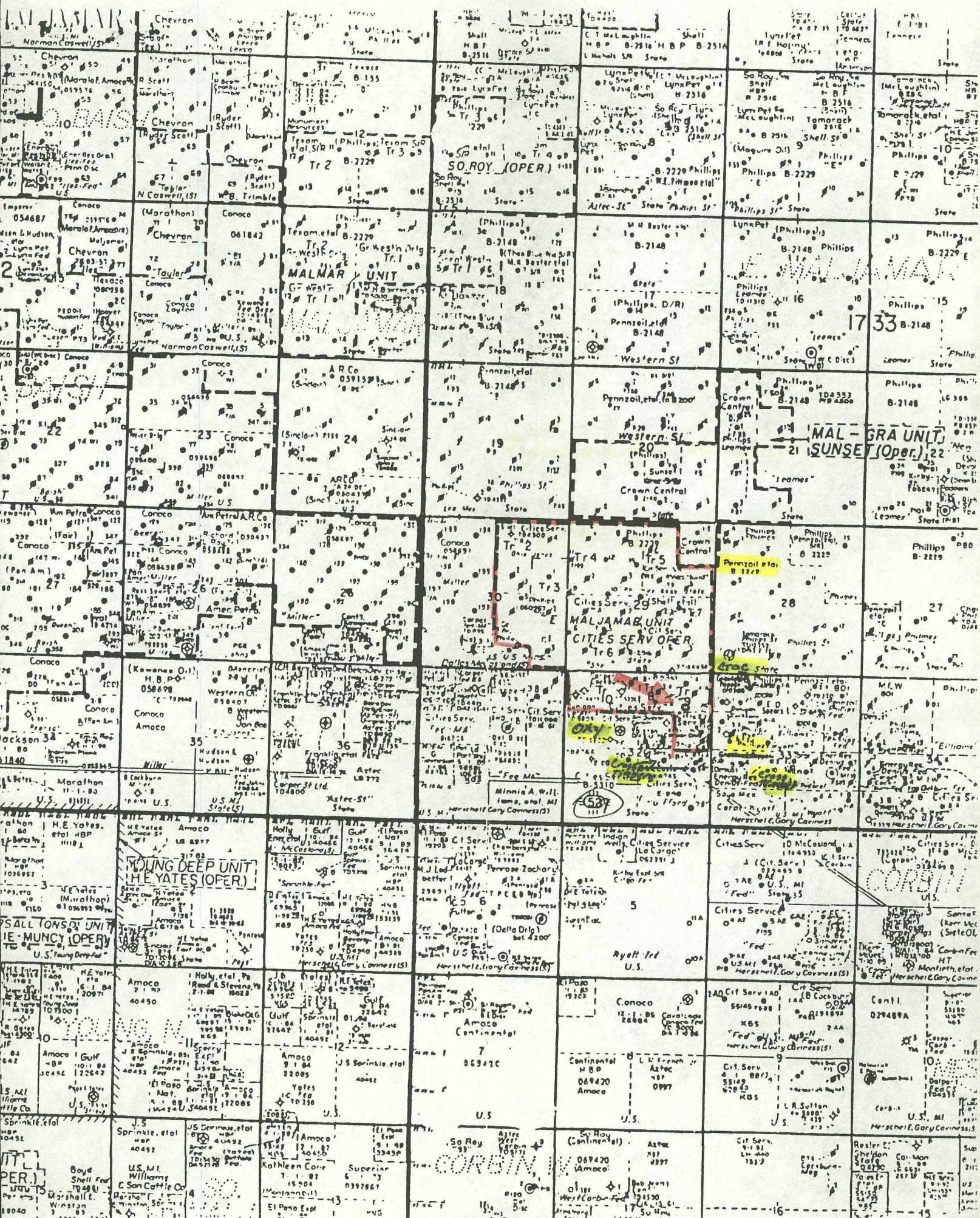
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

October 17, 1991

Signature & Seal of Professional Surveyor

REGISTERED LAND SURVEYOR
No. *Ronald J. Bidson*
Certificate No. 676
JOHN W. WEST
RONALD J. BIDSON
W. O. *W. O. Bidson* 3239
1159



NOV 25 1991

REC'D. / MIDLAND

OXY USA INC. has been advised of Cross Timbers Operating Company's intent to drill the SMGSAU Tract 9 Well No. 6 at 950' FEL, 1,200' FNL of Section 32, T17S, R33E, NMPM.

OXY USA INC. is an Offset Operator to the 40 acre unit dedicated to this well, and has no objection to the administrative approval on this unorthodox location in the Southeast Maljamar Grayburg-San Andres Unit.

Robert Hunt.

OXY USA, Inc

OXY USA INC.

11/22/91

DATE SIGNED

Phillips Petroleum Company has been advised of Cross Timbers Operating Company's intent to drill the SMGSAU Tract 9 Well No. 6 at 950' FEL, 1,200' FNL of Section 32, T17S, R33E, NMPM.

Phillips Petroleum Company has no objection to an administrative approval for an unorthodox location for secondary recovery purposes in the interior of the Southeast Maljamar Grayburg-San Andres Unit.

A handwritten signature in cursive script, appearing to read "D R Wier", is written over a horizontal line.

Phillips Petroleum Company