



OIL CONSERVATION DIVISION
RECEIVED

Texaco Exploration and Production Inc
Midland Producing Division

500 N Lorraine, Box 3109
Midland TX 79701 Midland TX 79702

June 10, 1993

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations

W. H. Rhodes Federal "B" NCT-1
Well Nos. 31
Rhodes Yates Seven Rivers Field
Lea County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501-2088

Attention: Mr. Michael E. Stogner

Gentlemen:

An exception, by administrative approval, to Rule 104 F.I. is requested for the captioned well. This well is on Federal minerals.

The well must be drilled in this location to ensure proper development on 20-acre spacing to recover additional reserves in an established waterflood. These reserves could not be recovered with the current 80-acre, 5-spot pattern.

The "affected" offset operators to this well are Marathon Oil Company, and Smith & Marrs, Inc. Koch Industries sold their wells to Smith & Marrs (see attached letter) and Smith & Marrs has signed a waiver to this location (attached). Marathon has been notified of this request. (See attached letter and return receipt.)

Attached is Forms C-102, showing the location for the well and a lease plat showing the existing wells.

Yours very truly,

C.P. Basham /cww

C. P. Basham
Drilling Operations Manager

CWH:

CC: BLM, P. O. Box 1778, Carlsbad, NM 88220

Submit to Appropriate District Office
 State Lease - 4 copies
 Fee Lease - 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 1980, Hobbs, NM 88240

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

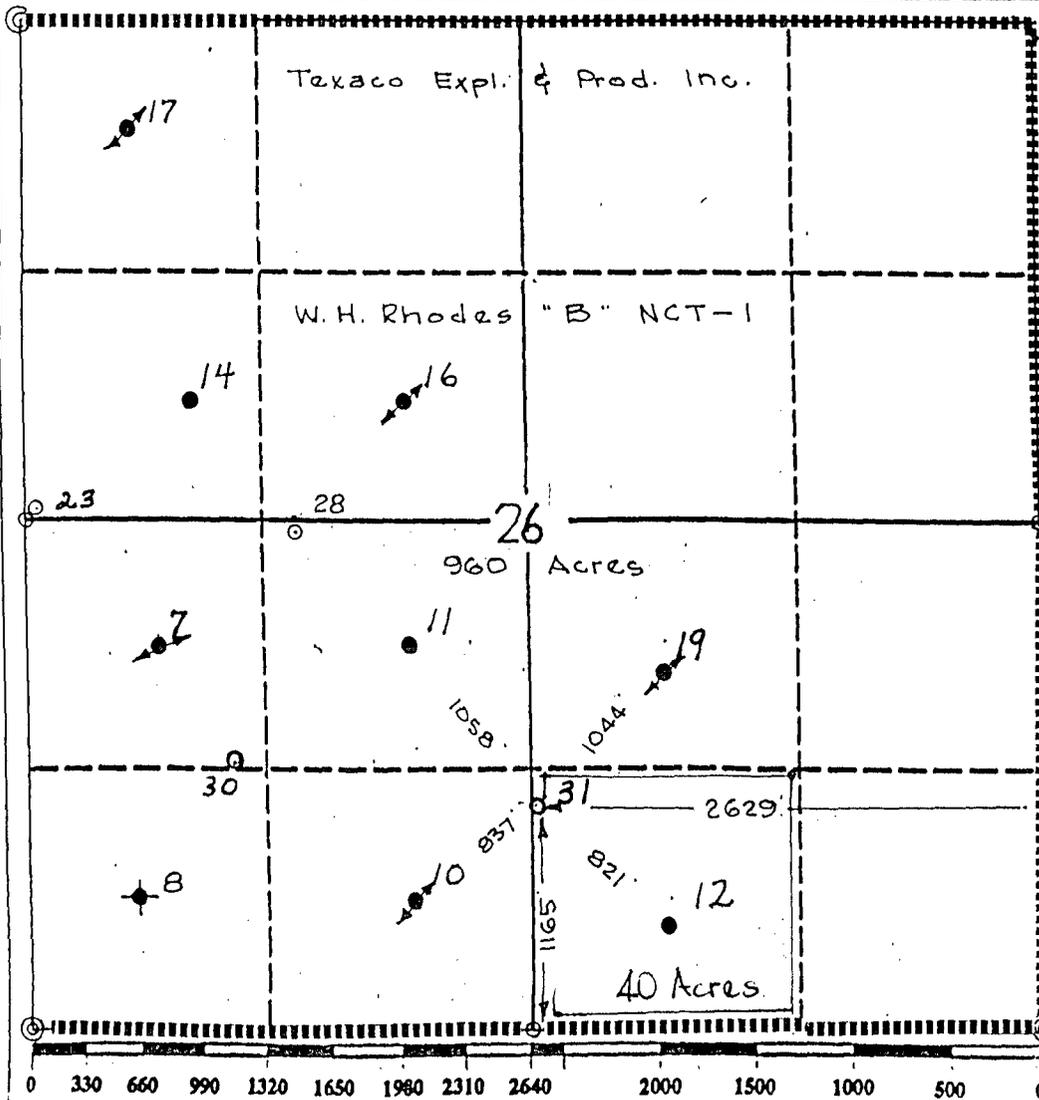
DISTRICT III
 1000 Rto Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator TEXACO EXPLORATION AND PRODUCTION Inc.		Lease W. H. Rhodes Federal "B" NCT-1		Well No. 31
Unit Letter 0	Section 26	Township 26-South	Range 37-East NMPM	County Lea
Actual Footage Location of Well: 1165 feet from the South line and 2629 feet from the East line				
Ground level Elev. 2994	Producing Formation Yates/7 RVRS	Pool Rhodes Yates Seven Rivers	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).
- 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.

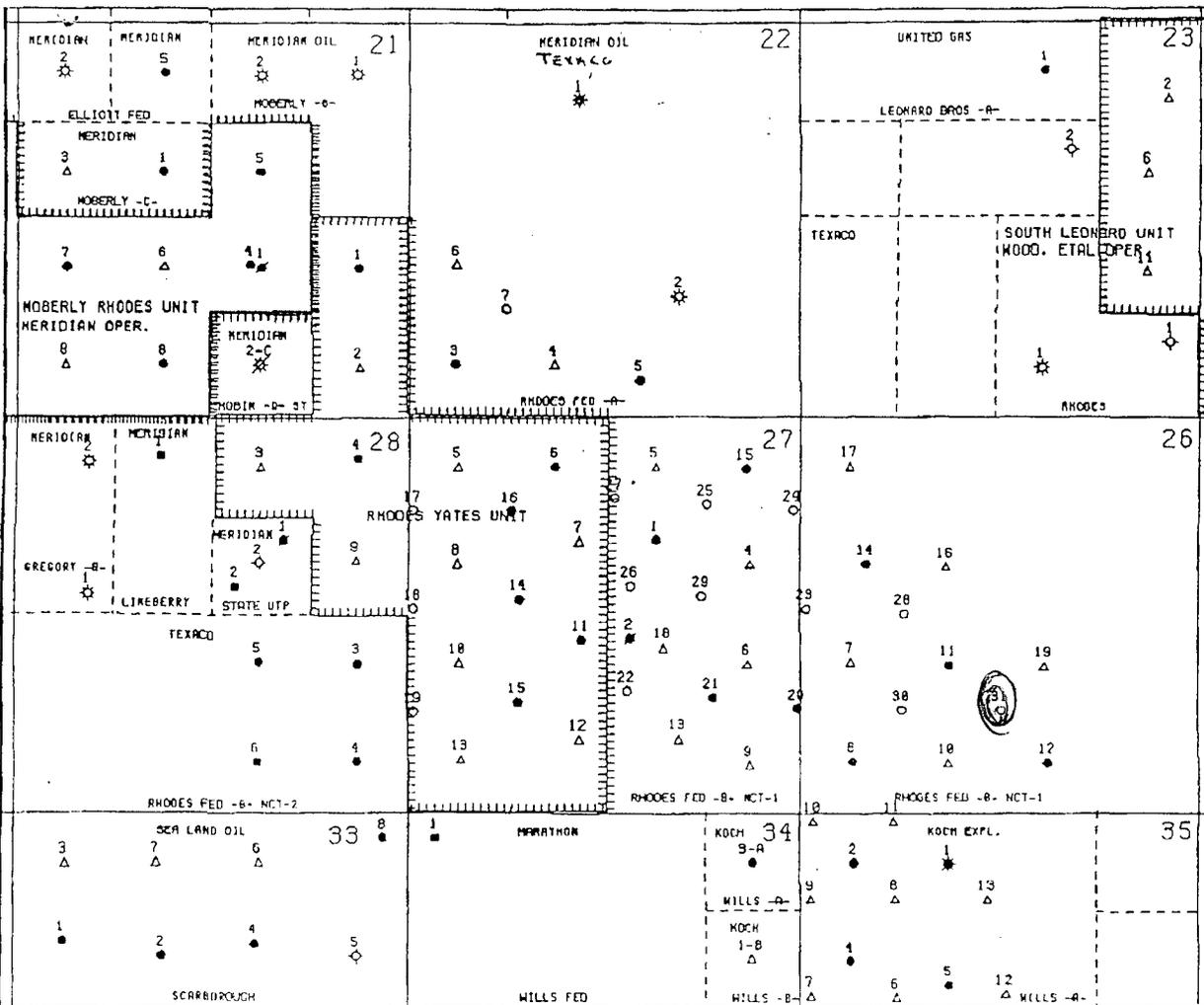


OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Royce D. Mariott*
 Printed Name: Royce D. Mariott
 Position: Division Surveyor
 Company: Texaco Expl. & Prod. Inc.
 Date: May 24, 1993

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.

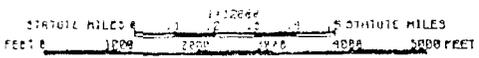
Date Surveyed: May 19, 1993
 Signature & Seal of Professional Surveyor: *John S. Piper*
 Certificate No.: 7254
 Sheet: John S. Piper of



- OIL WELL
- P&A OIL WELL
- △ INJECTOR
- ☆ GAS WELL
- ✕ P&A GAS WELL
- ★ OIL & GAS WELL
- ✕ P&A OIL & GAS WELL
- D&P
- D&P

TEXACO INC.
HEADQUARTERS NEW MEXICO U.S.A.

RHODES YATES WATERFLOOD
 LEA COUNTY, NEW MEXICO





Texaco Exploration and Production Inc
Midland Producing Division

500 N Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

June 3, 1993

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations

W. H. Rhodes Federal "B" NCT-1
Well No. 31
Rhodes Yates Seven Rivers Field
Lea County, New Mexico

Smith & Marrs, Inc.
1110 N. Big Spring
Midland, Texas 79701

Gentlemen:

As an "affected offset operator" to the captioned well, you are being furnished with a copy of our Application for an Exception to Rule 104, F.I. If you have no objection, please sign the waiver at the bottom of this letter and return in the enclosed envelope.

Any questions concerning this request should be directed to Mr. C. W. Howard at (915) 688-4606.

Yours very truly,

C.P. Basham / cwh

C. P. Basham
Drilling Operations Manager

CWH:cwh

File

WAIVER APPROVED:

COMPANY: Smith & MARRS INC.

BY: *[Signature]*

DATE: 6-7-93



Texaco Exploration and Production Inc
Midland Producing Division

500 N Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

LPH.

June 3, 1993

RECEIVED
JUN 07 '93
KOCH EXPL CO
LAND DEPT

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations
W. H. Rhodes Federal "B" NCT-1
Well No. 31
Rhodes Yates Seven Rivers Field
Lea County, New Mexico

Koch Industries, Inc.
P. O. Box 2256
Wichita, Kansas 67201

Gentlemen:

As an "affected offset operator" to the captioned well, you are being furnished with a copy of our Application for an Exception to Rule 104, F.I. If you have no objection, please sign the waiver at the bottom of this letter and return in the enclosed envelope.

Any questions concerning this request should be directed to Mr. C. W. Howard at (915) 688-4606.

Yours very truly,

C. P. Basham /cwh

C. P. Basham
Drilling Operations Manager

CWH:cwh

File

WAIVER APPROVED:

COMPANY: _____

BY: _____

DATE: _____

* WILLS WELLS SOLD
TO SMITH & MARRS
ON NOVEMBER 1, 1991

6/7/93



Exploration and Production Inc
Regulation Division

500 N Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

June 3, 1993

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations
W. H. Rhodes Federal "B" NCT-1
Well No. 31
Rhodes Yates Seven Rivers Field
Lea County, New Mexico

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

Gentlemen:

As the "affected offset operator" to the captioned well, you are being furnished with a copy of our Application for an Exception to Rule 104, F.I. If you have no objection, please sign the waiver at the bottom of this letter and return in the enclosed envelope.

Any questions concerning this request should be directed to Mr. C. W. Howard at (915) 688-4606.

Yours very truly,

C.P. Basham /cwh

C. P. Basham
Drilling Operations Manager

CWH:cwh

File

WAIVER APPROVED:

COMPANY: _____

BY: _____

DATE: _____

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: MARATHON Oil Company P.O. Box 552 MIDLAND, TX 79702	4. Article Number P 711 723 002
5. Signature - Addressee X <i>Felipe Moran</i>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent X	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery JUN - 4 1993	8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989 U.S.G.P.O. 1989-238-815 **DOMESTIC RETURN RECEIPT**

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: SMITH + MARRS, INC. 1110 N. BIG SPRING MIDLAND, TX 79701	4. Article Number P 711 723 001
5. Signature - Addressee X	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent X <i>Doris Claypool</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery 6-4-93	8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989 U.S.G.P.O. 1989-238-815 **DOMESTIC RETURN RECEIPT**

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: KOCH INDUSTRIES, INC. P.O. Box 2256 WICHITA, KANSAS 67201	4. Article Number P 711 723 003
5. Signature - Addressee X	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent X <i>M. Smith</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery	8. Addressee's Address (ONLY if requested and fee paid)

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

MIDLAND TEXAS 79705 05/04/93 18:29

SENDER INSTRUCTIONS

Print your name, address and ZIP Code in the space below.

- Complete Items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



PENALTY FOR PRIVATE USE, \$300

RETURN TO



Print Sender's name, address, and ZIP Code in the space below.

TEXACO E+P Inc.
P.O. Box 3109
MIDLAND, TX 79702

ATTN: C.W. HOWARD

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS



SENDER INSTRUCTIONS

Print your name, address and ZIP Code in the space below.

- Complete Items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



PENALTY FOR PRIVATE USE, \$300

RETURN TO



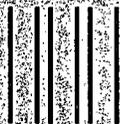
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TEXACO E+P Inc.
P.O. Box 3109

MIDLAND, TX 79702

ATTN: C.W. HOWARD

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS



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PENALTY FOR PRIVATE USE, \$300

RETURN TO



Print Sender's name, address, and ZIP Code in the space below.

TEXACO E+P Inc.
P.O. Box 3109

MIDLAND, TX 79702

ATTN: C.W. HOWARD



OIL CONSERVATION DIVISION
RECEIVED

Texaco Exploration and Production Inc
Midland Producing Division

500 N. Loop West
Midland TX 79701

JUN 24 AM 9:12
301499
Midland TX 79702

June 22, 1993

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations
W. H. Rhodes Federal "B" NCT-1
Well Nos. 31
Rhodes Yates Seven Rivers Field
Lea County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501-2088

Attention: Mr. Michael E. Stogner

Gentlemen:

Our request for an exception, by administrative approval, to Rule 104 F.I. was filed on June 10, 1993.

The "affected" offset operators to this well are Marathon Oil Company, and Smith & Marris, Inc. We attached a waiver letter from Smith & Marris with our June 10, 1993 request. Attached is the waiver letter from Marathon Oil Company.

Yours very truly,

C.P. Basham / CWH

C. P. Basham
Drilling Operations Manager

CWH:



WLR *WLR*
JFR *JFR*

Texaco Exploration and Production Inc
Midland Producing Division

500 N Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

June 3, 1993

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations
W. H. Rhodes Federal "B" NCT-1
Well No. 31
Rhodes Yates Seven Rivers Field
Lea County, New Mexico

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702

Gentlemen:

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Yours very truly,

C.P. Basham /cwh

C. P. Basham
Drilling Operations Manager

CWH:cwh

File

WAIVER APPROVED:

COMPANY: Marathon Oil Co.

BY: JN Jester

DATE: 6-16-93

RECEIVED

JUN 17 1993

MARATHON OIL COMPANY
LAND DEPARTMENT
MIDLAND, TEXAS

RECEIVED

JUN 04 1993

MARATHON OIL COMPANY
LAND DEPARTMENT
MIDLAND, TEXAS