

OIL CONSERVATION DIVISION
RECEIVED

1994 AUG 22 AM 8 50

McDONNOLD OPERATING, INC.

505 N. Big Spring, Suite 204
Midland, TX 79701-4347
915/682-6396 FAX 915/682-4823

August 18, 1994

Oil Conservation Commission
Attn: Mr. Mike Stogner
P. O. Box 2088
Santa Fe, NM 87504

Re: Langlie Mattix Pool
Jack A-29 Lease
Section 29, T-24-S, R-37-E
Lea County, NM

Gentlemen:

McDonnold Operating, Inc. request approval for an unorthodox location located 2364' FNL & 1126' FEL, Section 29, T-24-S, R-37-E on its Jack A-29 Lease. Attached for your review is a plat and the approved Application for Permit to Drill or Deepen from the BLM.

If we can be of any further assistance, please call me at (915) 682-6396.

Very truly yours,

McDONNOLD OPERATING, INC.

By: 
Craig M. McDonnold, President

CMMc:rb
Enclosure

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 MCDONNOLD OPERATING, INC.

3. ADDRESS AND TELEPHONE NO.
 505 N. BIG SPRING, SUITE 204, MIDLAND, TX 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
 At surface: 2364' FNL 7 1126' FEL
 At proposed prod. zone: SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 5 AIRMILES NORTHEAST OF JAL, NEW MEXICO

10. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY ON LEASE LINE, FT. (Also to nearest drig. unit linc, if any)
 1000'

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 750'

16. NO. OF ACRES IN LEASE
 240

19. PROPOSED DEPTH
 3700

17. NO. OF ACRES ASSIGNED TO THIS WELL
 20

20. ROTARY OR CABLE TOOLS
 ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3260' GR

22. APPROX. DATE WORK WILL START*
 JUNE 16, 1994

5. LEASE DESIGNATION AND SERIAL NO.
 Nm-7486 (not)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 N/A

8. FARM OR LEASE NAME, WELL NO.
 JACK A-29 #9

9. API WELL NO.

10. FIELD AND POOL, OR WILDCAT
 LANGLIE MATTIX SEVEN

11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA
 RIVERS QUEEN
 GRAYBURG
 SEC. 29, T24S, R37E

12. COUNTY OR PARISH
 LEA

13. STATE
 NM

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	K-55 8 5/8"	24.0#	400'	275 SXS CIRCULATE
7 7/8"	K-55 5 1/2"	14.0#	3700'	875 SXS - SEE STIPS.

WELL WILL BE DRILLED TO A TOTAL DEPTH OF 3700' AND ALL POTENTIAL ZONES WILL BE EVALUATED. IF COMMERCIAL PRODUCTION IS INDICATED, WELL WILL BE SELECTIVELY PERFORATED AND STIMULATED.

- ATTACHED ARE:
1. WELL LOCATION AND DEDICATION PLAT
 2. SUPPLEMENTAL DRILLING DATA
 3. SURFACE USE PLAN
 4. MAPS
 5. SURFACE AGREEMENT
 6. SKETCH BOP

Approval Subject to
General Requirements and
Special Stipulations
Attached

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on surface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED: *[Signature]* TITLE: AGENT DATE: 5/26/94

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY: *Scott Pown* TITLE: *Acting* AREA MANAGER DATE: 7/28/94

*See Instructions On Reverse Side

OPERATOR NAME MCDONNOLD OPERATING, INC. WELL NO. & NAME NO. JACK A-29
LOCATION 2364' 7 N L & 1126' P E L SEC. 29, T. 24S., R. 37E.
LEASE NO. NM-7486 L&A COUNTY NEW MEXICO

The special stipulations check marked below are applicable to the above described well and approval of this application to drill is conditioned upon compliance with such stipulations in addition to the General Requirements. The permittee should be familiar with the General Requirements, a copy of which is available from a Bureau of Land Management office. EACH PERMITTEE HAS THE RIGHT OF ADMINISTRATIVE APPEAL TO THESE STIPULATIONS PURSUANT TO TITLE 43 CFR 3165.3 and 3165.4.

DRILLING OPERATIONS REQUIREMENTS

Capitan Controlled Water Basin

The Bureau of Land Management office is to be notified at (505) 393-3612, in sufficient time for a representative to witness:

- 1. Spudding
- 2. Cement casing 8 5/8 inch 5 1/2 inch ___ inch
- 3. DCP tests
- Other Whenever a casing string is cemented in the R-111-P potash area, cement shall be allowed to stand a minimum of twelve (12) hours under pressure and a total of twenty-four (24) hours before drilling the plug or initiating tests.

CASING

8 5/8" surface casing should be set AT LEAST 400' (BELOW GROUNDWATER) and cement circulated to the surface. If cement does not circulate to the surface, this BLM office will be notified and a temperature survey or cement bond log will be run to verify the top of the cement. Remedial cementing will be done prior to drilling out of that string.

- Minimum required fill of cement behind the N/A intermediate casing is to _____
- Minimum required fill of cement behind the 5 1/2" production casing is to CIRCULATE TO SURFACE.

PRESSURE CONTROL

- Before drilling below the 8 5/8" casing, the blowout preventer assembly will consist of a minimum of:
 - One Annular Preventer OR Two RAM-Type Preventers
 - Other KELLY COCK / STABBING VALVE.
- After setting the 8 5/8" casing string, and before drilling into the YATES Formation, the blowout preventers and related control equipment shall be pressure-tested as described in General Requirements. Any equipment failing to test satisfactorily will be repaired or replaced.
 - The test will be conducted by an independent service company.
 - The results of the test will be reported to the appropriate BLM office.
 - The Bureau of Land Management office is to be notified in sufficient time for a representative to witness the test.

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, will be installed and operating before drilling into the _____ Formation, and will be used until production casing is run and cemented. Monitoring equipment will consist of the following:

- 1. A recording pit level indicator to determine pit volume gains and losses.
- 2. A mud-volume measuring device for accurately determining mud volume necessary to fill the hole on trips.
- 3. A flow-sensor on the flow-line to warn of any abnormal mud returns from the well.

A Hydrogen Sulfide Contingency Plan will be approved by this BLM office before drilling below the _____ Formation. A copy of the plan will be posted at the drilling site.

Other Gamma-Ray/Neutron logs shall be run from the base of the Salado formation to the surface; cable speed not to exceed 30 feet per minute.

OPERATOR'S COPY
SPECIAL DRILLING STIPULATIONS

THE FOLLOWING DATA IS REQUIRED ON THE WELL SIGN

OPERATOR'S NAME McDonnold Operating Inc. WELL NO. & NAME Jack A-29 #9
LOCATION 2364' FN L & 1126' FE L SEC. 29, T. 24S, R. 37E
LEASE NO. NM-7486 LEA COUNTY NEW MEXICO

The special stipulations check marked below are applicable to the above described well and approval of this application to drill is conditioned upon compliance with such stipulations in addition to the General Requirements. The permittee should be familiar with the General Requirements, a copy of which is available from a Bureau of Land Management office. EACH PERMITTEE HAS THE RIGHT OF ADMINISTRATIVE APPEAL TO THESE STIPULATIONS PURSUANT TO TITLE 43 CFR 3165.3 and 3165.4.

This permit is valid for a period of one year from the date of approval or until lease expiration or termination whichever is shorter.

I. SPECIAL ENVIRONMENT REQUIREMENTS

- Lesser Prairie Chicken (Stips attached) Floodplain (Stips attached)
 San Simon Swale (Stips attached) Other

II. ON LEASE - SURFACE REQUIREMENTS PRIOR TO DRILLING

The BLM will monitor construction of this drill site. Notify the Carlsbad Resource Area Office at (505) 234-5272 Hobbs Office at (505) 393-3612, at least 3 working days prior to commencing construction.

Roads and the drill pad for this well must be surfaced with 6 inches of compacted caliche.

All topsoil and vegetation encountered during the construction of the drill site area will be stockpiled and made available for resurfacing of the disturbed area after completion of the drilling operation. Topsoil on the subject location is approximately _____ inches in depth. Approximately _____ cubic yards of topsoil material will be stockpiled for reclamation.

Other *Any unguarded pits containing fluid, including the drilling reserve pit, shall be fenced until dry.*

III. WELL COMPLETION REQUIREMENTS

A Communitization Agreement covering the acreage dedicated to the well must be filed for approval with the BLM. The effective date of the agreement must be prior to any sales.

Surface Restoration: If the well is a producer, the reserve pit(s) will be backfilled when dry, and cut-and-fill slopes will be reduced to a slope of 3:1 or less. All areas of the pad not necessary for production must be re-contoured to resemble the original contours of the surrounding terrain, and topsoil must be re-distributed and re-seeded with a drill equipped with a depth indicator (set at a depth of 1/2 inch) with the following seed mixture, in pounds of Pure Live Side (PLS), per acre.

- | | |
|--|--|
| <input type="checkbox"/> A. Seed Mixture 1 (Loamy Sites)
Lehmanns Lovegrass (<i>Eragrostis lehmanniana</i>) 1.0
Side Oats Grass (<i>Bouteloua curtipendula</i>) 5.0
Sand Dropseed (<i>Sporobolus cryptandrus</i>) 1.0 | <input type="checkbox"/> B. Seed Mixture 2 (Sandy Sites)
Sand Dropseed (<i>Sporobolus cryptandrus</i>) 1.0
Sand Lovegrass (<i>Eragrostis trichodes</i>) 1.0
Plains Bristlegrass (<i>Setaria negrostachya</i>) 2.0 |
| <input type="checkbox"/> C. Seed Mixture 3 (Shallow Sites)
Sideoats Grama (<i>Boute curtipendula</i>) 1.0
Lehmanns Lovegrass (<i>Eragrostis lehmanniana</i>) 1.0
or Boar Lovegrass (<i>E. chloromalas</i>) | <input checked="" type="checkbox"/> D. Seed Mixture 4 ("Gyp" Sites)
Alkali Sacaton (<i>Sporobolus airoides</i>) 1.0
Four-Wing Saltbush (<i>Atriplex canescens</i>) 5.0 |

Seeding should be done either late in the fall (September 15 - November 15, before freeze up) or early as possible the following spring to take advantage of available ground moisture.

Other *Pits to west, V-door North.
Restrict pad to 100 ft. on south side*

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

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Instruction on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brasos Ed., Artec, NM 87410

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name	
		37240	LANGLIE MATTIX SEVEN RIVERS QUEEN GRAYBURG	
Property Code	Property Name		Well Number	
10018	JACK A-29		9	
OGRID No.	Operator Name		Elevation	
014372	McDONNOLD OPERATING INC.		3260'	

Surface Location

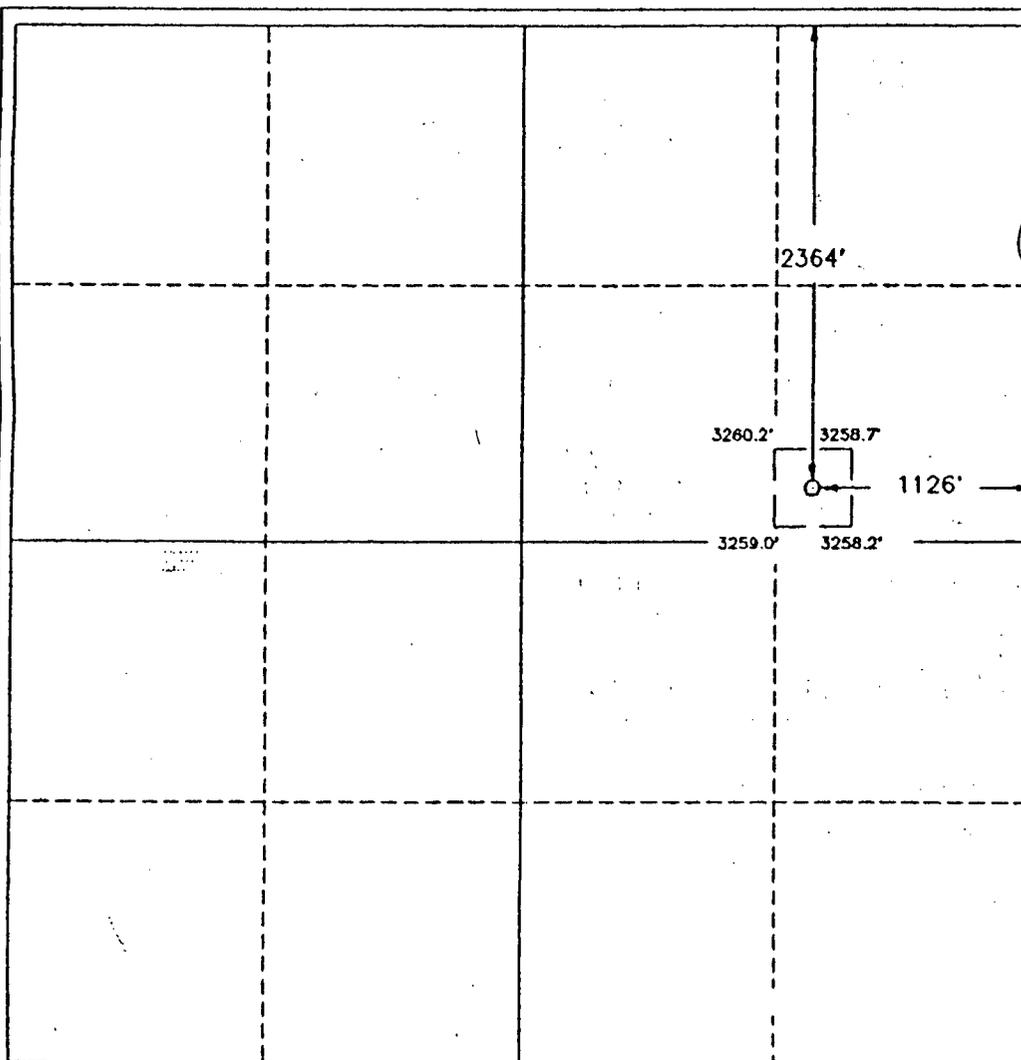
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	29	24 S	37 E		2364	NORTH	1126	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
20	Infill		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT 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]
Signature

PATRICIA T. GREENWADE
Printed Name

AGENT
Title

May 16, 1994
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 belief.

DATE SURVEYED
MAY 30 1994

Signature & Seal of Professional Surveyor
[Signature]

W.O. Num: 94-11-0781

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239
GARY L. JONES, 7977

LANGLIE-MATTIX POOL
(Continental Langlie Mattix Jack A-29 Waterflood)
Lea County, New Mexico

Order No. R-3862, Authorizing Continental Oil Company to Institute a Waterflood Project on the Jack A-29 Lease in the Seven Rivers-Queen Formations in the Langlie-Mattix Pool, Lea County, New Mexico, October 28, 1969.

Application of Continental Oil Company for a Waterflood Project, Lea County, New Mexico.

CASE NO. 4235
Order No. R-3862

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on October 22, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 28th day of October, 1969, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Continental Oil Company, seeks permission to institute a waterflood project on its Jack A-29 Lease, Langlie-Mattix Pool, by the injection of water into the Seven Rivers-Queen formations through its Jack A-29 Wells Nos. 2 and 4, located, respectively, in Units I and O of Section 29, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to institute a waterflood project on its Jack A-29 Lease, Langlie-Mattix Pool, by the injection of water into the Seven Rivers-Queen formations through the following-described wells in Section 29, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico:

Jack A-29 Well No. 2, located in Unit I;
Jack A-29 Well No. 4, located in Unit O.

(2) That the subject waterflood project is hereby designated the Continental Langlie Mattix Jack A-29 Waterflood Project and

shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

LANGLIE-MATTIX POOL
(Resler and Sheldon Pilot Waterflood)
Lea County, New Mexico

Order No. R-3868, Authorizing Resler and Sheldon to Institute a Pilot Waterflood Project in the Grayburg Formation in the Langlie-Mattix Pool, Lea County, New Mexico, October 29, 1969.

Application of Resler and Sheldon for Two Waterflood Projects, Lea County, New Mexico.

CASE NO. 4223
Order No. R-3868

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on October 22, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 29th day of October, 1969, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicants, Resler and Sheldon, seek authority to inject produced salt water into the Grayburg formation in the perforated interval from approximately 3555 feet to 3617 feet in their Kelly Well No. 3 and into the Queen and Grayburg formations in the perforated interval from approximately 3439 feet to 3689 feet in their Steeler Well No. 1, said wells being located, respectively, in Unit M of Section 16 and Unit I of Section 20, both in Township 23 South, Range 37 East, NMPM, Langlie-Mattix Pool, Lea County, New Mexico.