

AMEND NSL

6/7/99

RELIANCE OPERATING COMPANY

Oil & Gas Exploration and Development

P. O. Box 10946

Midland, Texas 79702

(915) 683-4816

fax (915) 682-1250

MAY 17 1999

May 13, 1999

Mr. Michael E. Stogner
NMOCD
2040 S. Pacheco St.
Santa Fe, NM 87505

Dear Mr. Stogner:

Reliance Operating Company requests administrative approval for an unorthodox location for the Federal "D" #3 located in Section 31 of T-9-S, R-36-E, Lea County. This well was previously approved as an unorthodox location in the Devonian; Reliance now asks for approval in the Atoka.

Chris Williams in the Hobbs office was sent the original request on April 28, 1999. We were notified today that a separate request must be sent to your office; that is the purpose of this letter.

Attached is a plat showing the 320 acre gas unit as well as a plat showing the affected offset operators; the offset operators have been notified of our application. The north, northeast, south and southwest offset is Marbob; the east offset is Yates. The remaining offsets are either the State of New Mexico as mineral owner or our working interest partners in the subject well, PetroVen and Rutter & Wilbanks.

Sincerely,

Carol Robbins
Carol Robbins

Agent - Regulatory Affairs

*probe of area
definition*

as is ability to FOR

CROSSROADS WEST

DI 111
P.O. 1880 Hobbs, NM 88240

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

DISTRICT III
1000 Rio Bravos Rd., Aztec, NM 87410

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

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
30-025-34066	13460	CROSSROADS WEST (ATOKA)
Property Code	Property Name	Well Number
19254	FEDERAL "D"	3
OGRID No.	Operator Name	Elevation
149441	RELIANCE OPERATING CO.	4059'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	31	9 S	36 E		1120	SOUTH	1420	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.						
320									

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 the the information contained herein is true and complete to the best of my knowledge and belief. Signature James R. Berryman Printed Name Operations Supervisor Title May 20, 1997 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. March 25, 1997 Date Surveyed Signature & Seal of Professional Surveyor W.D. Num. 71375 Certificate No. 68844

Sancti Mariae Church Pctyon 4/20/99

RELIANCE OPERATING COMPANY

Oil & Gas Exploration and Development

P. O. Box 10946

Midland, Texas 79702

(915) 683-4816

fax (915) 682-1250

April 28, 1999

Marbob Energy Corp.

P O Box 227

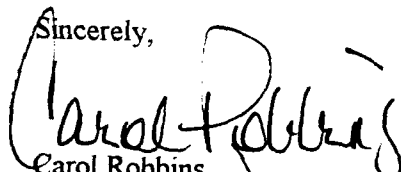
Artesia, NM 88211-0227

Gentlemen:

Reliance Operating Company is hereby giving notice of our application to NMOCD for approval of the unorthodox location of the Federal "D" #3 in Section 31 of T-9-S, R-36-E. This well was previously approved as an orthodox location in the Devonian; Reliance is now asking for approval for the location in the Atoka. Enclosed is a plat outlining the 320 acre gas unit for the subject well.

No action is required if you have no objections; the commission will administratively approve the request after 20 days if no objections are received.

Sincerely,


Carol Robbins
Agent - Regulatory Affairs

Is your RETURN ADDRESS completed on the reverse side?	SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. ■ Print your name and address on the reverse of this form so that we can return this card to you. ■ Attach this form to the front of the mailpiece, or on the back if space does not permit. ■ Write "Return Receipt Requested" on the mailpiece below the article number. ■ The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. ☐ Addressee's Address 2. ☐ Restricted Delivery Consult postmaster for fee.	
	3. Article Addressed to: MARBOb ENERGY Corp. P.O. Box 227 ARTESIA NM 88211-0227		4a. Article Number 2 100 674 471	
			4b. Service Type ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ Return Receipt for Merchandise ☐ COD	
	5. Received By: (Print Name) MISTY McHUGH		7. Date of Delivery 5-3-99	
	Signature: (Addressee or Agent) Misty McHugh		8. Addressee's Address (Only if requested and fee is paid)	

PS Form 3811, December 1994 102595-97-B-0179 Domestic Return Receipt

Thank you for using Return Receipt Service.

RELIANCE OPERATING COMPANY

Oil & Gas Exploration and Development

P. O. Box 10946

Midland, Texas 79702

(915) 683-4816

fax (915) 682-1250

April 28, 1999

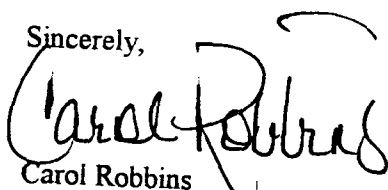
Yates Petroleum Corp.
105 South 4th Street
Artesia, NM 88210

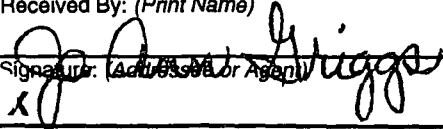
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Sincerely,


Carol Robbins
Agent - Regulatory Affairs

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	3. Article Addressed to: YATES PETROLEUM CORP. 105 S. 4 th STREET ARTESIA NM 88210 JOANN GRIGGS	
	4a. Article Number 2-100-674-474	
	4b. Service Type ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ Return Receipt for Merchandise ☐ COD	
5. Received By: (Print Name) JOANN GRIGGS		7. Date of Delivery 5-3-99
8. Addressee's Address (Only if requested and fee is paid)		Thank you for using Return Receipt Service.
Signature: (Addressee or Agent) 		



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 23, 1999

Reliance Operating Company
Attention: Carlton Wheeler
P. O. Box 10946
Midland, Texas 79702

Re: Federal "D" Well No. 3 (API No. 30-025-34066), located 1120'
FSL & 1420' FEL (Unit O) of Section 31, Township 9 South,
Range 36 East, NMPM, Lea County, New Mexico.

Dear Mr. Wheeler:

Attached are copies of the well records from the Division's Hobbs District office. Pursuant to Division Rule 104.B(1)(a) and (d) this location is an unorthodox Atoka gas well location, please file an appropriate application as required by Division Rule 104.F (see copy of Rule 104 in its entirety attached).

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael E. Stogner".

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Chris Williams, Supervisor Division District I – Hobbs
Paul Kautz, Geologist – Division District I, Hobbs
File: NSL-3838



To ... Mike Stagner

From

Donna

4/20/99

Energy & Minerals Department

OIL CONSERVATION DIVISION

P O Box 1980

Hobbs NM 88241

Telephone Number (505) 393-6161

☐ For Your Files

☐ Prepare a Reply for My
Signature

☐ For Your Review and
Return

☐ For Your Information

☒ For Your Handling

☐ For Your Approval

☐ As Per Your Request

☐ For Your Signature

☐ Please Advise

☐ For Your Attention

Here is information
on Reliance well, we
talked about. Told Carol
Robbins to call you.

dp

District II

PO Drawer 2D, Artesia, NM 88211-0719

District III

1000 Rio Branon Rd., Aztec, NM 87410

District IV

PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

PO Box 2088

Santa Fe, NM 87504-2088

Instructions on back

Submit to Appropriate District Office

3 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address Reliance Operating Company P O Box 10946 Midland TX 79702		OGRID Number 149441
		Reason for Filing Code AG & RC
AFT Number 30 - 025-34066	Pool Name West Crossroads Atoka	Pool Code 13460
Property Code 19254	Property Name Federal "D"	Well Number 3

II. Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
0	31	9S	36E		1120	South	1420	East	Lea

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
Lee Code F	Producing Method Code F	Gas Connection Date 12-18-98	C-129 Permit Number -	C-129 Effective Date -	C-129 Expiration Date -				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
021778	Sun Company, Inc. P O Box 2039 Tulsa OK 74102	2820225	0	
024650	Dynegy Midstream Services LP 1000 Louisiana, Ste 5800 Houston TX 77002-5050	2822861	G	

IV. Produced Water

POD	POD ULSTR Location and Description
2820226	

V. Well Completion Data

Spud Date	Ready Date	TD	PBTD	Perforations
8/19/97	8/21/98	12,018'	12,003'	11,133-160'
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	
17 1/2"	13 3/8" 54.5#	422'	360	
12 1/4"	8 5/8" 32#	4496'	1550	
7 7/8"	5 1/2" 20#	12003'	400	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
12-18-98	12-18-98	8-27-98	24 hrs	485	PKR
Choke Size	Oil	Water	Gas	AOP	Test Method
20/64"	48	0	963	NA	Flowing

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:

Carol Robbins

Title:

Agent

Date:

12/15/98

Phone:

915-683-4816

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature

Printed Name

Title

Date

DISTRICT II
P.O. Drawer 510, Artesia, NM 88210

Survey, Mineral and Natural Resources Department

Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Elko Street Rd., Artesia, NM 87410

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34066	Pool Code 13460	Pool Name CROSSROADS WEST (ATOKA)
Property Code 19254	Property Name FEDERAL "D"	Well Number 3
OCRD No. 149441	Operator Name RELIANCE OPERATING CO.	Elevation 4059'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	31	9 S	36 E		1120	SOUTH	1420	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 320	Joint or Infill	Consolidation Code	Order No.						

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 James R. Berryman Printed Name Operations Supervisor Title May 20, 1997 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.	
	March 23, 1997 Date Surveyed Signature & Seal as Professional Surveyor W.D. Jones W.D. Num. 7138 Certificate No. 123456789	

COUNTY Lea

POOL West Crossroads - Aloga

TOWNSHIP 10 South

RANGE 36 East

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: NE¹/₄ Sec. 6 (R-3995, 8-1-70)

COUNTY *Lea*

POOL

*Crossroads - Pennsylvanian*TOWNSHIP *9 South*RANGE *36 East*

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: $\frac{3}{4}$ Sec. 22; $\frac{W}{2}$ Sec. 26; All Sec. 27; $\frac{E}{2}$ Sec. 28; $\frac{E}{2}$ Sec. 33; All Sec. 34;
 $\frac{W}{2}$ Sec. 35

Ext: $\frac{NW}{4}$ Sec. 28; $\frac{N}{2}$ Sec. 29 (R-124, 1-8-52) - $\frac{SE}{4}$ Sec. 20 (R-157, 5-20-52)
 - $\frac{N}{2}$ & $\frac{SW}{4}$ Sec. 20 (R-286, 3-10-53) - $\frac{E}{2}$ Sec. 19 (R-348, 7-27-53)
 - All Sec. 30 (R-419, 4-15-53) - $\frac{N}{2}$ Sec. 22 (R-675, 8-17-55)

Ext: $\frac{NE}{4}$ Sec. 26 (R-4782, 6-1-74)