DATE IN 3/18/99 Suspense 4/7/99 Engineer MS Logged by M Type NSL

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVER SHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Applic	DHC-Downh. PC-Pool W	[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] [DD-Directional Drilling] [SD-Simultaneous Dedication] ole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [FX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] ed Enhanced Oil Recovery Certification] [PPR-Positive Production Response]
[1]	TYPE OF AP [A]	PLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Directional Drilling NSL NSP DD DSD MAR 8 999
	Check [B]	One Only for [B] and [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM
	[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
[2]	NOTIFICAT [A]	ION REQUIRED TO: - Check Those Which Apply, or 2 Does Not Apply Working, Royalty or Overriding Royalty Interest Owners
	[B]	Offset Operators, Leaseholders or Surface Owner
	[C]	☐ Application is One Which Requires Published Legal Notice
	[D]	☐ Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
•	[E]	☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
	[F]	☐ Waivers are Attached
[3]	INFORMAT	ION / DATA SUBMITTED IS COMPLETE - Statement of Understanding
I h e rel	by certify that I	, or personnel under my supervision, have read and complied with all applicable Ru

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Print or Type Name

But Many 3-8-99

Title

Title

Date

DAVID H. ARRINGTON DIL & GAS, INC.

P.O. BOX 2071, MIDLAND, TEXAS 79702 OFF (915) 682-6685 FAX (915) 682-4139

March 8, 1999

Mr. Michael L. Stogner
Oil Conservation Division
New Mexico Department of Energy
Minerals & Natural Resources
2040 South Pacheco
Santa Fe, New Mexico 87505

99 MAR 18 PH 4:0

Re: Application of David H. Arrington Oil & Gas, Inc.

for Administrative Approval of an unorthodox well location "Irresistible #1" Section 33, T16S-R36E, Lea County, New Mexico

Dear Mr. Stogner:

Enclosed please find the Application of David H. Arrington Oil & Gas, Inc. for Administrative Approval of an unorthodox location for the "Irresistible" #1 well located 1351' FNL & 696' FWL of section 33, Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico. This unorthodox location is unorthodox to the inner quarter-quarter section of our proposed forty-acre unit and is encroaching upon our own leases and should not affect any adjoining or diagonal spacing units.

Your due consideration to this application is most appreciated. Should you have any questions, please feel free to call me at 915-682-6685.

Sincerely,

Bill Baker, Jr

Exploration Manager

BDB/nm

District I PO Box 1980, Hobbs, NM 88241-1980

District II

811 South First, Artesia, NM 88210 District III

1000 Rio Brazos Rd., Aztec, NM 87410 District IV 2040 South Pacheco, Santa Fe, NM 87505 State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

_	AMENDED	REPORT
	MMENDED	KELOKI

APPLICA'	TION I	FOR PEI	RMIT T	TO DRII	LL, RE-EN	ITER, DEE	PEN	I, PLUGBA	ACK,	OR AI	DD A ZONE
Operator Name and Address.									² OGRID Number		
David H. Arrington Oil & Gas, Inc.								005898			
P.O. Bo		•				³ API Number					
Midland	i, Texa	as 797	02							30 - 0	}
⁴ Property Code						roperty Name				' Well No.	
			Irr	esistib	1e						1
					⁷ Surface	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South	line	Feet from the East/We		est line County	
E	33	16S	36E		1351	North		696	Wes	st	Lea
	- ··· · · · · · · · · · · · · · · · · ·	⁸ Pr	oposed	Bottom	Hole Loca	tion If Diff	erent	From Sur	face		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South		Feet from the	·	Vest line	County
				ļ							
Wildca	t	'Propos	ed Pool 1					16 Propo	sed Pool	2	
						<u>. </u>					
" Work T	ype Code		12 Well Type Code		13 Cable/Rotary		14 Lease Type Code		ode	15 Ground Level Elevation	
N_			0		R		P		3898		
" Mu	ltiple	1	17 Proposed Depth		" Formation		" Contractor		29 Spud Date		
N		1	11,400		Wolfcamp		Peterson		May 1, 1999		
			21	Propos	ed Casing a	and Cemen	Pro	gram			
Hole Si	ze	Casir			ing weight/foot Setting De			·			Estimated TOC
17 1/2	11	13 3/	8"	48#		425	460		Ci		Circl.
11"		8 5/8	11	32	2#	4950 '		770		500' above up	
7 7/8"		5 1/2	11	17	7#	11,40	0'	600		most pay	
						<u> </u>					
zone. Describe	the blowou	t prevention	program, ií	any. Use a	dditional sheets if	necessary.					sed new productive
4900'.	Ceme	nt. In	stall	BOP's.	Tsg to I	to surfaction to surfaction to surfact the surfact the surfact the surfact to surfact the surfac	Dril	11 7 7/8"	hole	to 11	,400'.
DST an justif		pective	pays.	Kun 1	o 1/2" pro	oduction c	asır	ng through	n Wol:	camp	11
								15		ī	
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.					olete to the best	OIL CONSERVATION DIVISION				SION	
Signature:				 	Approved by:						
Printed name:		d H. Ar	ringto	n		Title:		_			
Title:		ident				Approval Date:			Expiration	n Date:	

<u>DISTRICT I</u>
P. O. Box 1980
Hobbs, NM 88241-1980

Artesia, NM 88211-0719

State of New Mexico Energy, Minerals, and Natural Resources Department Form C-102 Revised 02-10-94

Instructions on back

Submit to the Appropriate District Office State Lease — 4 copies Fee Lease — 3 copies

OIL CONSERVATION DIVISION
P. 0. Box 2088
Santa Fe, New Mexico 87504-2088

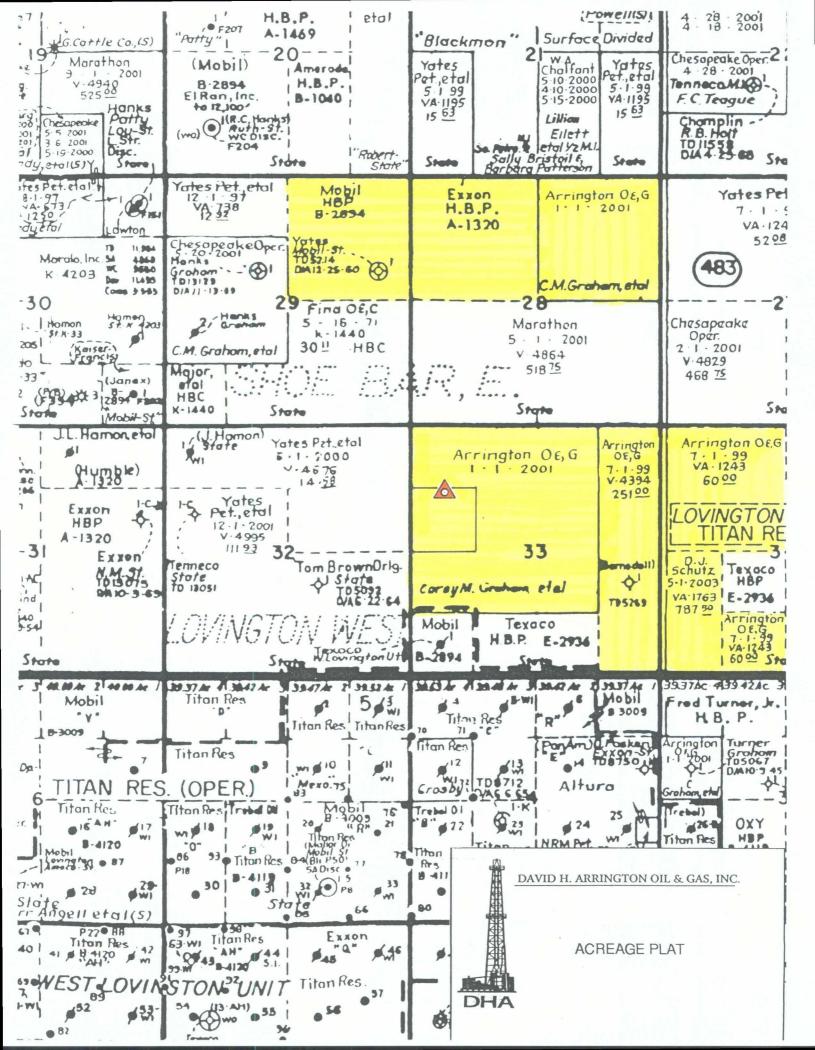
AMENDED REPORT

DISTRICT III
1000 Rio Brozos Rd.
Aztec, NM 87410

DISTRICT II
P. O. Drower DD

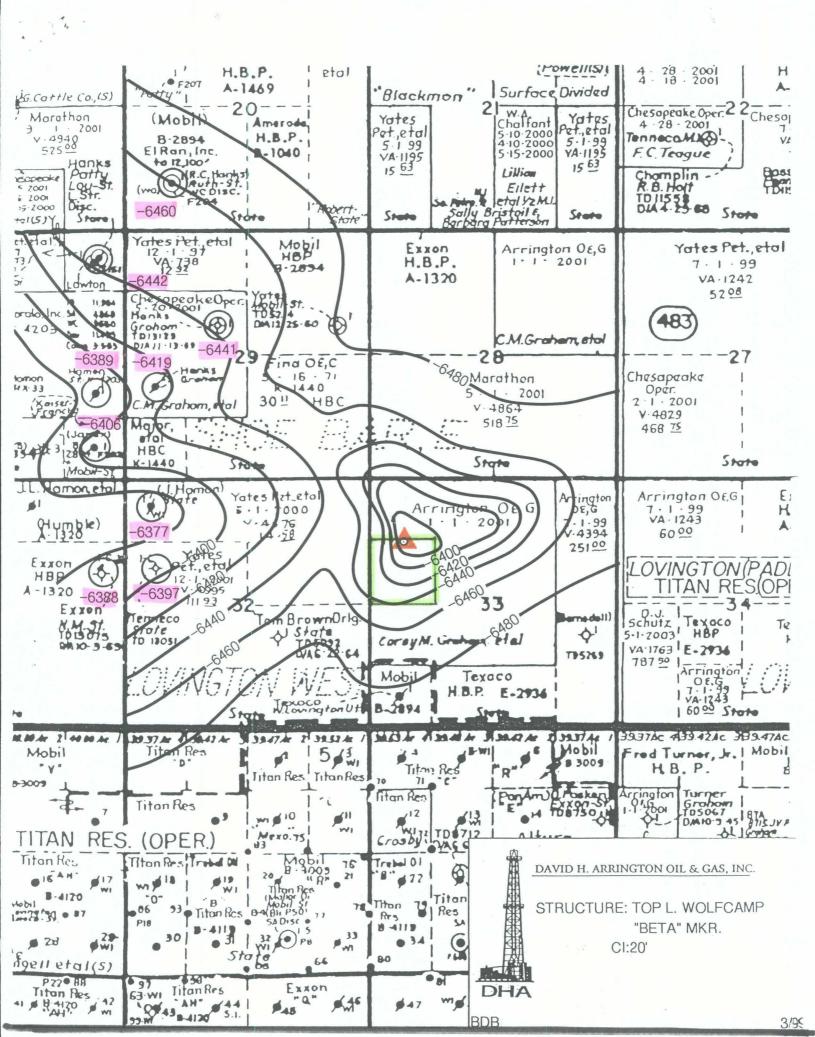
P. O. Box 2088
Santa Fe, NM 87507-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number			² Pool Code	3 P	ool Name					
4 Property Code S Property			ty Name IRRESISTIBLE						6 Well Number	
OGRID No.		8 Operator No	DAVID H	⁹ Elevation 3898	° Elevation 3898'					
· · · · · · ·			¹º S	URFACE	E LOCATION					
UL or lot no. E	Section 33	Township 16 SOUTH	Range 36 EAST, N.M.P.		a Feet from the 1351'	North/South line NORTH	Feet from the	East/West line WEST	County LEA	
	·	"ВОТТО	OM HOLE LOCA	ATION I	F DIFFEREN	NT FROM SU	JRFACE	•		
JL or lot no.	Section	Township	Range	Lot Id	a Feet from the	North/South line	Feet from the	East/West line	County	
² Dedicated A	cres 13 Joi	int or Infill	14 Consolidation Code	15 Order	r No.		<u> </u>	<u> </u>		
, , , , , , , , , , , , , , , , , , , ,			ELL BE ASSIGNED OR A NON-STAN							
	351'						I hereby cert contained her to the best of Signature Printed Name Title Date SURVEYO I hereby co location sho plotted from surveys mo my supervise	R CERTIFICATION TO THE PROPERTY OF THE PROPERT	ATION the well formation the well formation the well fortual the under	
							Signature and Professional S	12128	SORVEYOR SILVEN	



Geological Discussion

The David H. Arrington Oil & Gas, Inc. "Irresistible" #1 is a proposed 11,400' lower Wolfcamp exploratory test in which the subsurface location was determined using 3-D seismic data. This 3-D seismic data indicates the presence of a separate lower Wolfcamp structure located directly east of the East Shoebar field (see structure map - Top of Lower Wolfcamp "Beta" marker). In addition to a strong structural component, it should be noted that the best porosity distribution in the lower Wolfcamp occurs on the crest of these lower Wolfcamp structural features. This map also shows the relationship between our proposed location and the adjacent acreage offsetting our prospect. Using the 3-D seismic X-Y section coordinate grid provided by Dawson Geophysical Surveyors, our geophysicist working this project was instructed to determine the most advantageous structural position in the lower Wolfcamp. This location, being 1351' FNL & 696' FWL of section 33, T16S-R36E, shows that the proposed location is more that 150' from the center of the quarter/quarter section and is unorthodox by 299 feet. Fortunately, this unorthodox location is encroaching upon our own leases and should not offset any adjoining offset spacing units. Using the 3-D seismic data to determine the optimum structural location in the lower Wolfcamp, the current location of 1351' FNL & 696' FWL provides the best location for exploiting the reserves of this lower Wolfcamp structure. Moving the location south to an orthodox location would result in a loss of structure relief and a potential loss of reserves or a dry hole. Granting Arrington's request for an unorthodox location for the David H. Arrington Oil & Gas, Inc. "Irresistible" #1 would allow Arrington to establish production capable of preventing waste and protecting correlative rights.



Page: 1 Document Name: untitled

CMD : OG5SECT		ONGARD INQUIRE LAND BY SECTION				
Sec : 33 Twp :	16S Rng : 36E Sect	ion Type : NORMAL				
D	C	В	A			
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Fee owned	 Fee owned 	 Fee owned 	CS V04394 0001 07/99 DAVID H ARRINGTON			
E	F		Н			
40.00	40.00	40.00	40.00			
Fee owned	 Fee owned 	 Fee owned 	CS V04394 0001 07/99 DAVID H ARRINGTON			
PF01 HELP PF0		PF04 GoTo PF05 PF10 SDIV PF11	PF06 PF12			

NSL-01L, N53

Date: 3/19/99 Time: 01:23:43 PM

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PF01 HELP PF02

PF08 FWD

PF07 BKWD

ONGARD 03/19/99 13:20:10 CMD : OG5SECT INQUIRE LAND BY SECTION OGOMES -TPZF PAGE NO: 2 Sec : 33 Twp : 16S Rng : 36E Section Type : NORMAL L K J 40.00 40.00 40.00 40.00 CS V04394 0001 07/99 Fee owned DAVID H ARRINGTON Fee owned Fee owned Α Ρ Μ Ν 0 40.00 40.00 40.00 40.00 CS CS CS CS B02894 0001 05/44 | E02936 0001 09/59 | E02936 0001 09/59 | V04394 0001 07/99 MOBIL PRODUCING T TEXACO EXPLORATIO TEXACO EXPLORATIO | DAVID H ARRINGTON U

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