

CTB 7-19-95

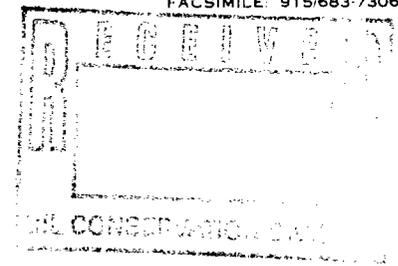
# TAMARACK PETROLEUM COMPANY, INC.



500 WEST TEXAS, SUITE 148E  
MIDLAND, TEXAS 79701

TELEPHONE: 915/683-5474  
FACSIMILE: 915/683-7306

June 20, 1995



Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico

Attn: Division Director

This letter is to serve as application for exception to Rule 309-A to permit the surface commingling of all production from the same common source of supply in the following leases to a common tank battery:

**SAUNDERS PERMO UPPER PENN FIELD - LEA COUNTY, NEW MEXICO**

|        |                |                 |
|--------|----------------|-----------------|
| 010826 | Lion State     | 01-J-09-14S-33E |
| 010827 | Lion State -A- | 02-P-09-14S-33E |
| 010833 | Saunders State | 01-N-09-14S-33E |
| 010833 | Saunders State | 02-E-16-14S-33E |
| 010833 | Saunders State | 03-O-09-14S-33E |

All parties owning an interest in the above leases have been notified in writing of this application to commingle production.

We will take a 24 hour test monthly to accurately determine production from each well and make allocation for reporting monthly production and distribution of sales revenue.

Attached are copies of lease ownerships, well plats, 12 month schedule of production (showing gravity and values) and a diagram of the battery facility. The location of the common tank battery serving these wells will be on the Lion State Lease. If additional information is needed to grant permission to surface commingle, please let me know.

Sincerely,

T. Wayne Green  
Production Agent

cc: Oil Conservation Division  
District Director - Hobbs

# TAMARACK PETROLEUM COMPANY, INC.



500 WEST TEXAS, SUITE 1485  
MIDLAND, TEXAS 79701

TELEPHONE: 915/683-5474  
FACSIMILE: 915/683-7306

June 20, 1995

“Interest Owners”

Re: Surface Commingling  
Lion State, Lion State -A- & Saunders State

Dear Sir or Madam:

Tamarack Petroleum Company, Inc. is seeking permission from the New Mexico Oil Conservation Division to surface commingle production from the above referenced leases.

Tamarack proposes to tie the Lion State No. 1 and Lion State -A- No. 2 into the Saunders State battery. The Lion State and Lion State -A- battery is in need of repair. If Tamarack receives permission from the NMOCD, five wells will be serviced by one battery instead of five wells being serviced by two batteries. Consolidation of batteries will allow the Lion State, Lion State -A- and Saunders State wells to produce economically and reduce operating costs, such that it will extend the life of these leases and increase ultimate recovery from these properties.

If you concur with surface commingling these leases into one central battery and the allocation of production and distribution of sales revenue by a 24 hour test taken monthly, please sign at the bottom and return to Tamarack Petroleum Co., Inc.

Sincerely,

T. Wayne Green  
Production Agent

APPROVED:

Name: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

## COMMINGLE PRE-APPLICATION

STATE LAND OFFICE RULES 1.053-1.055 APPLY TO COMMINGLING OIL AND GAS PRODUCTION FROM NEW MEXICO STATE LANDS. PLEASE PROVIDE THE FOLLOWING INFORMATION SO THAT WE CAN DETERMINE WHETHER OR NOT A COMMINGLE APPLICATION PACKAGE SHOULD BE SUBMITTED.

1. BRIEFLY DESCRIBE WHAT YOU PROPOSE TO DO:

Consolidate the two batteries serving the following wells into one common tank battery using existing lines. Commingle Oil & Casinghead gas production from each well and make allocations by 24 hour tests taken monthly.

2. FILL IN THE FOLLOWING INFORMATION FOR EACH WELL.

| WELL No. | LEGAL DESCRIPTION | LESSEE OF RECORD | N.M. LEASE NUMBER | FORMATION        |
|----------|-------------------|------------------|-------------------|------------------|
| 1        | N-09-14S-33E      | Tamarack         | E-7353-2          | Permo Upper Penn |
| 2        | E-16-14S-33E      | Tamarack         | E-7353-2          | Permo Upper Penn |
| 3        | O-09-14S-33E      | Tamarack         | E-7353-2          | Permo Upper Penn |
| 1        | J-09-14S-33E      | Tamarack         | E-8334            | Permo Upper Penn |
| 2        | P-09-14S-33E      | Tamarack         | E-7353            | Permo Upper Penn |

Name: T. Wayne Green T. Wayne Green

Company: Tamarack Petroleum Company, Inc.

Phone Number: 915/683-5474

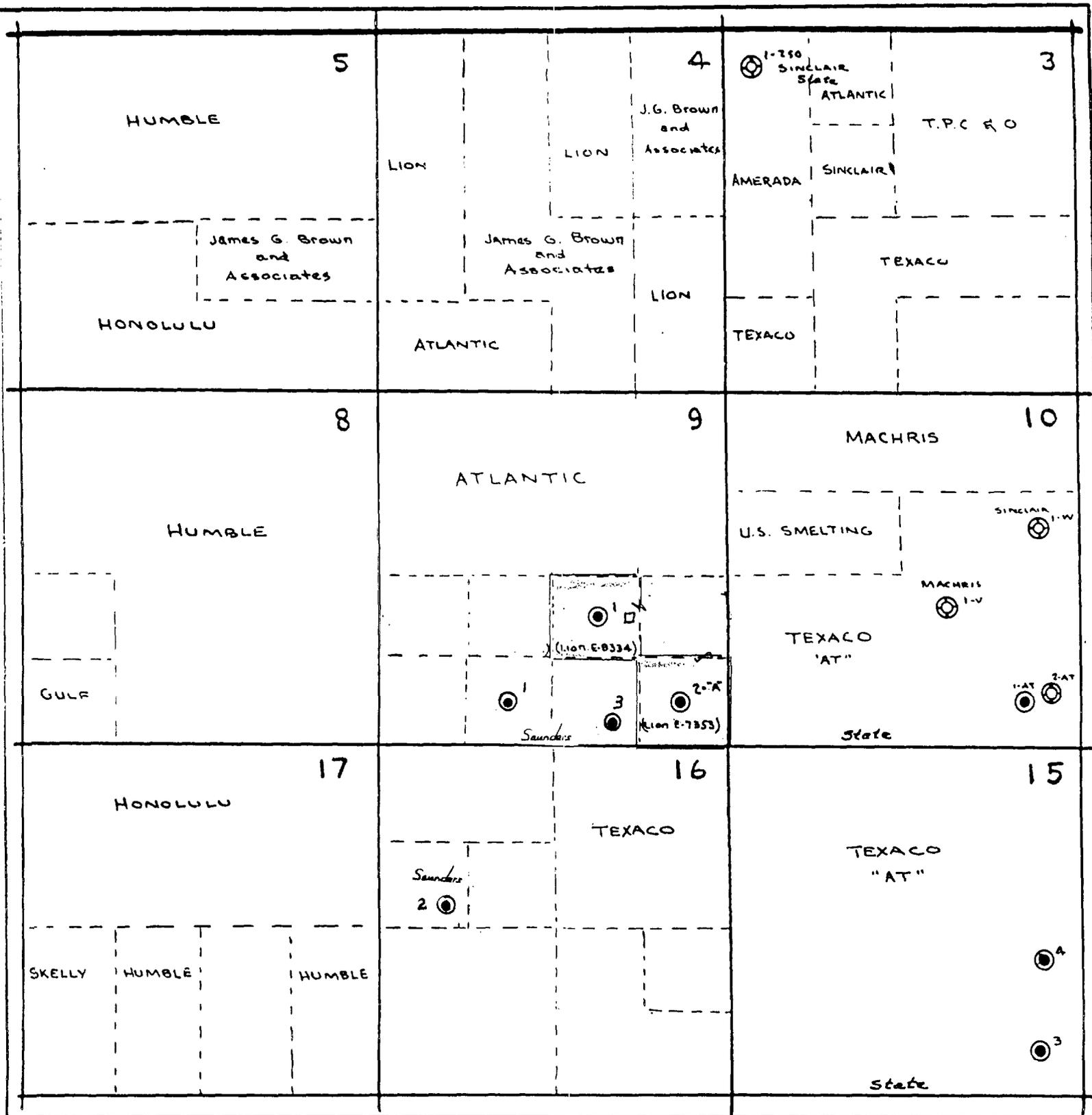
IF YOU HAVE ANY QUESTION, PLEASE CONTACT THE OIL, GAS AND MINERALS DIVISION AT (505) 827-5744.

**DIVISION OF INTEREST - STATEMENT OF LEASE OWNERSHIP****SAUNDERS STATE LEASE E-7353-2**

| <b>OWNER NAME</b>  | <b>DECIMAL INTEREST</b> |     |
|--|-------------------------|-----|
| STATE OF NEW MEXICO<br>P. O. Box 1148<br>Santa Fe, New Mexico 87504  | 0.1250000               | RI  |
| THE ROBERT B. TRANIER, 1973 TRUST<br>c/o Glenora Co.<br>777 E. Wisconsin Ave. - Suite 2395<br>Milwaukee, Wisconsin 53202       | 0.0038021               | ORI |
| THE ROBERT A UIHLEIN, JR. 1976 TRUST<br>c/o Glenora Co.<br>777 E. Wisconsin Ave. - Suite 2395<br>Milwaukee, Wisconsin 53202    | 0.0025520               | ORI |
| THEODORE S. GARY<br>Marital Trust #02-57177<br>50 S. La Salle Street<br>Chicago, Illinois 60675-0001                           | 0.0031250               | ORI |
| EST OF ARTHUR D. BRAGG<br>c/o Tamarack Petroleum Co., Inc.<br>777 E. Wisconsin Ave. - Suite 1920<br>Milwaukee, Wisconsin 53202 | 0.0031250               | ORI |
| TAMARACK PETROLEUM COMPANY, INC.<br>777 E. Wisconsin Ave. - Suite 1920<br>Milwaukee, Wisconsin 53202                           | 0.8623959               | WI  |
| <b>TOTAL</b>   | <b>1.0000000</b>        |     |

**DIVISION OF INTEREST - STATEMENT OF LEASE OWNERSHIP**  
**LION STATE (E-8334) & LION STATE -A- (E-7353)**

| <i>OWNER NAME</i>  | <i>DECIMAL INTEREST</i> |    |
|--|-------------------------|----|
| STATE OF NEW MEXICO<br>P. O. Box 1148<br>Santa Fe, New Mexico 87504  | 0.1250000               | RI |
| B. W. CHRONISTER<br>9722 Losa<br>Dallas, Texas 75218   | 0.0083333               | RI |
| J. L. EVERSON<br>1400 Country Club St.<br>Midland, Texas 79701   | 0.0083333               | RI |
| MARILYN NABER MORDEN EXEX EST.<br>EST. A.D. MORDEN, JR.<br>5631 Tipperary<br>Lincoln, Nebraska 68512   | 0.0083333               | RI |
| JOHN C. RICKSEN, MARY B. RICKSEN<br>SAMUEL B. BRECK & HELEN B. BRECK TRUSTEES<br>1999 Harrison St. - Suite 1700<br>Oakland, California 94612 | 0.0187500               | RI |
| TAMARACK PETROLEUM COMPANY, INC.<br>777 E. Wisconsin Ave. - Suite 1920<br>Milwaukee, Wisconsin 53202   | 0.8312501               | WI |
| <b>TOTAL</b>   | <b>1.0000000</b>        |    |



Lea County, New Mexico  
 T-14 S, R-33-E

Scale: 1 inch equals 2000'

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-  
Effective 1-1-8

All distances must be from the outer boundaries of the Section

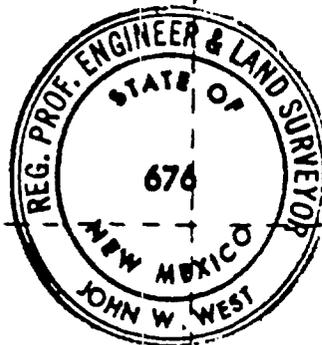
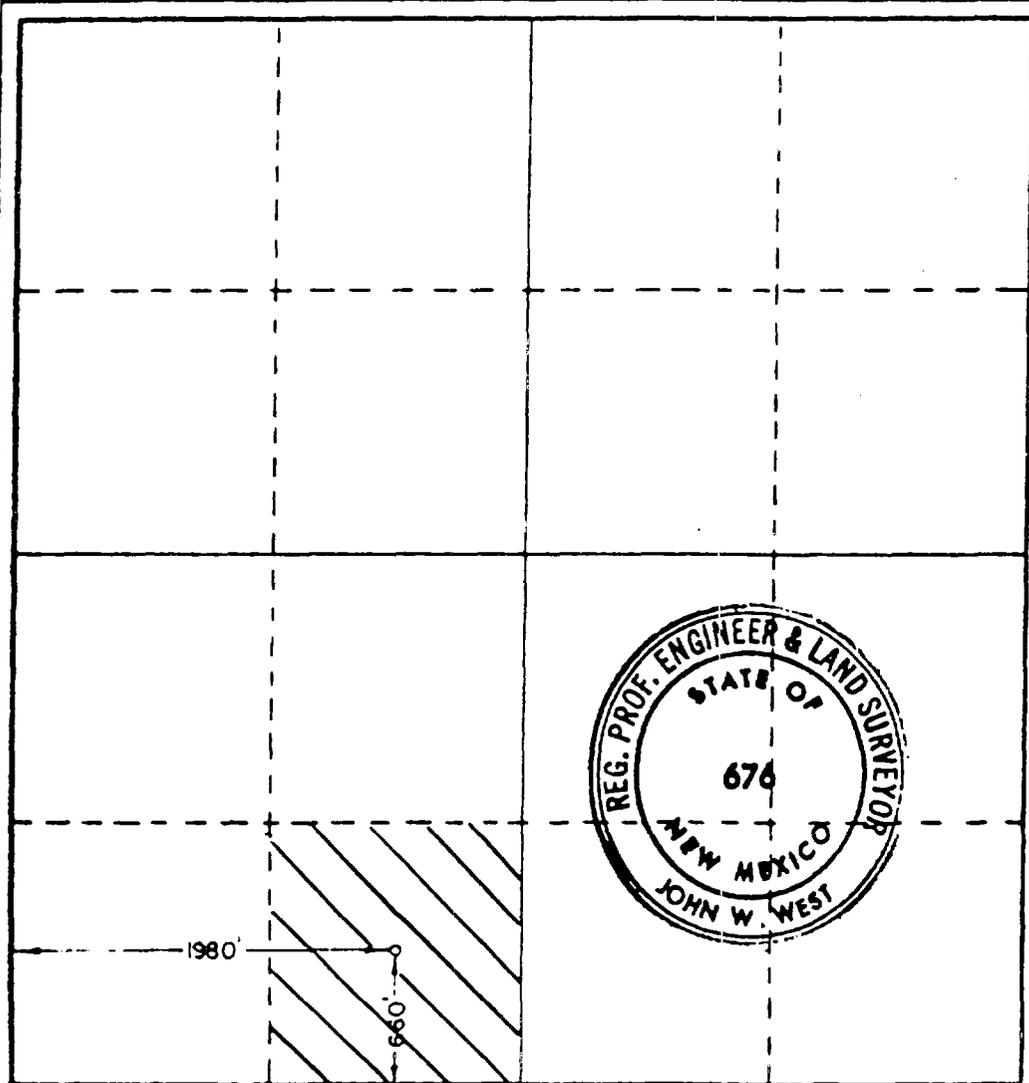
|   |  |                                |                         |                                       |                      |
|---|--|--------------------------------|-------------------------|---------------------------------------|----------------------|
| Operator<br><b>Tamarack Petroleum Co.</b>   |  | Lease<br><b>Saunders State</b> |                         |                                       | Well No.<br><b>1</b> |
| Tract Letter<br><b>N</b>  | Section<br><b>9</b>                      | Township<br><b>14 South</b>    | Range<br><b>33 East</b> | County<br><b>Lea County</b>           |                      |
| Actual Footage Location of Well:<br><b>660</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>West</b> line |  |                                |                         |                                       |                      |
| Ground Level Elev.<br><b>4228.0</b>   | Producing Formation<br><b>Permo Penn</b> |                                | Pool<br><b>Saunders</b> | Dedicated Acreage:<br><b>40</b> Acres |                      |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

Name  
**Randy A. McClay**

Position  
**Engineer**

Company  
**Tamarack Petroleum Co., Inc**

Date  
**04/26/83**

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  
**April 22, 1983**

Registered Professional Engineer and/or Land Surveyor

*John W. West*

MEXICO OIL CONSERVATION COMMISS  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 7-73  
Supersedes C-  
1-1-75

Distance from well to the outer boundaries of the Section

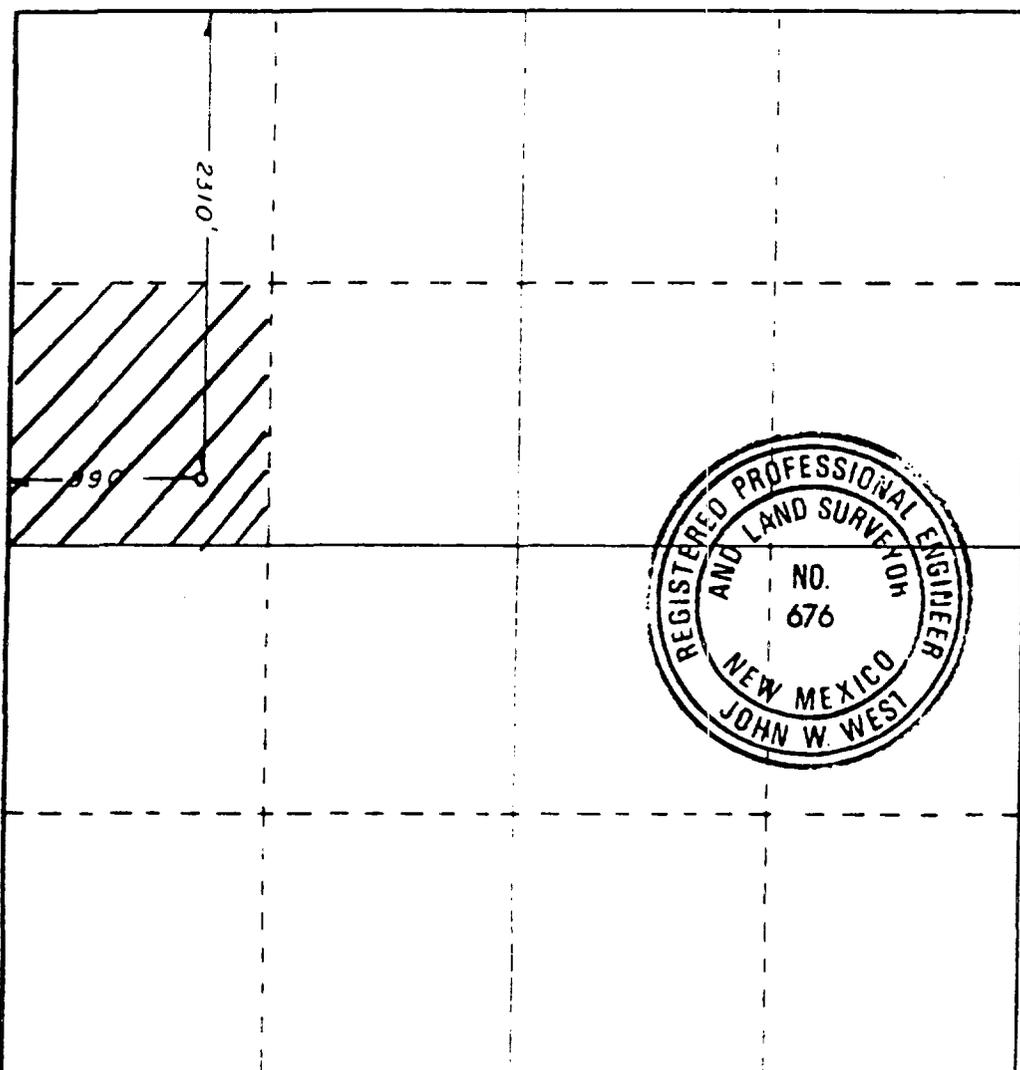
|                              |                    |              |      |                     |
|------------------------------|--------------------|--------------|------|---------------------|
| TAMARACK PETROLEUM CO., INC. |                    | SAUNDERS ST. |      | 2                   |
| E                            | 16                 | 14S          | 33E  | LEA                 |
| 990                          | feet from the WEST | and          | 2310 | feet from the NORTH |
| 4227.1                       | Permo Penn         | Saunders     | 40   |                     |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

Randy A. McClay

Engineer

Tamarack Petroleum Co., Inc.

2/20/84

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.

2/16/84

John W. West

*John W. West*

Certificate No. JOHN W. WEST 67

WE. LOCATION AND ACREAGE DEDICATION LAT

Supersedes C  
Effective 1-1-

All distances must be from the outer boundaries of the Section

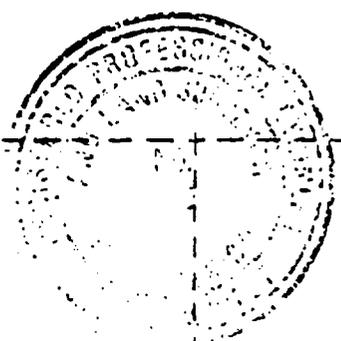
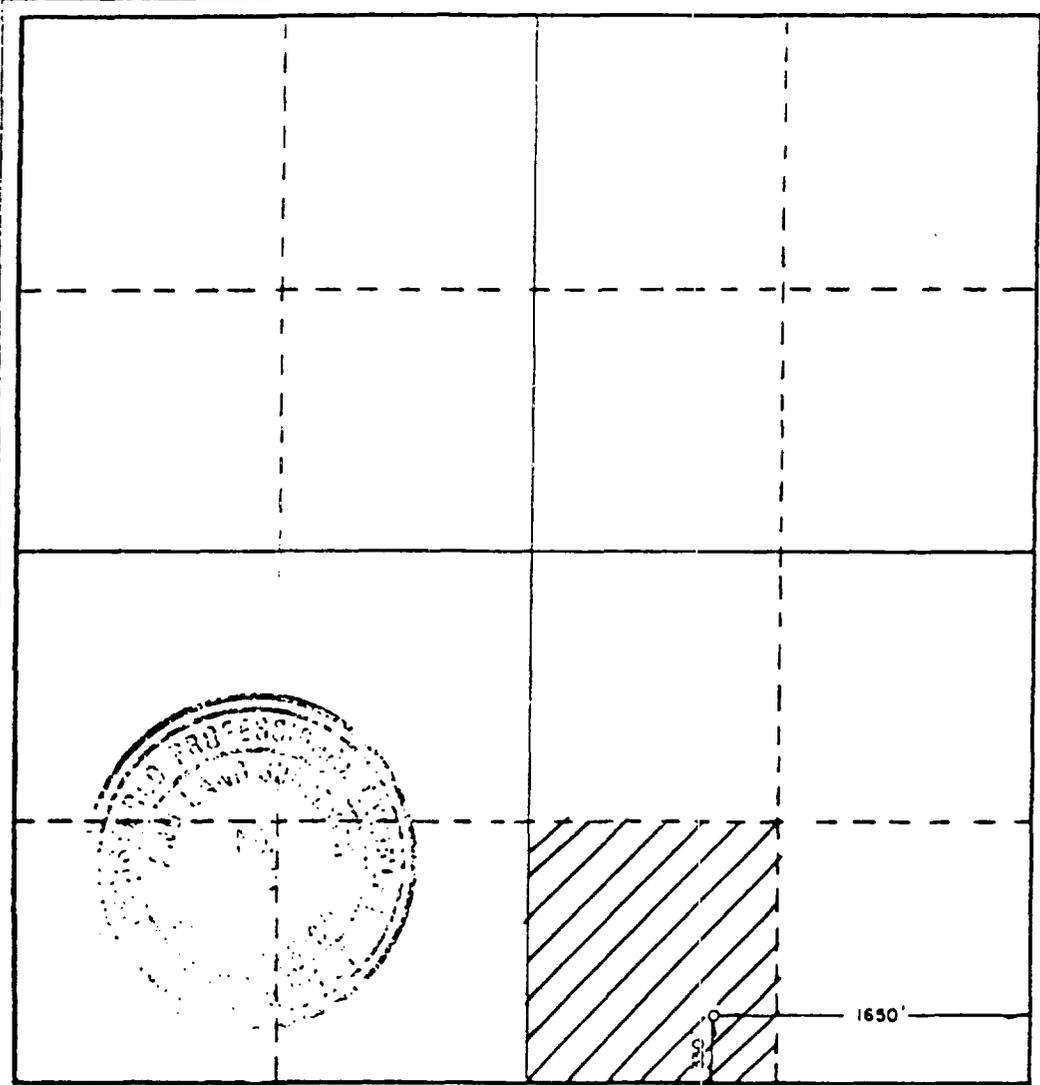
|   |  |  |                         |                                 |                      |
|---|--|--|-------------------------|---------------------------------|----------------------|
| Operator<br><b>TAMARACK PETROLEUM CO., INC.</b> |  | Lease<br><b>SAUNDERS STATE</b>             |                         |                                 | Well No.<br><b>3</b> |
| Unit Letter<br><b>O</b>                         | Section<br><b>9</b>                        | Township<br><b>14 SOUTH</b>                | Range<br><b>33 EAST</b> | County<br><b>LFA</b>            |                      |
| Actual Footage Location of Well:                |  |  |                         |                                 |                      |
| <b>330</b> feet from the <b>SOUTH</b> line and  |  | <b>1650</b> feet from the <b>EAST</b> line |                         |                                 |                      |
| Ground Level Elev.<br><b>4221.0</b>             | Producing Formation<br><b>(Permo-Penn)</b> | Pool<br><b>Saunders</b>                    |                         | Dedicated Acreage:<br><b>40</b> |                      |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

Name  
**Randy A. McClay**

Position  
**Engineer**

Company  
**Tamarack Petroleum Co.**

Date  
**February 28, 1984**

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

Date Surveyed  
**FEBRUARY 25, 1984**

Registered Professional Engineer and/or Land Surveyor

*John W. West*

# TAMARACK PETROLEUM COMPANY, INC.

| LEASE: LION STATE |          | 01-J-09-14S-33E |          |       |         |           |           |
|-------------------|----------|-----------------|----------|-------|---------|-----------|-----------|
| MONTH             | OIL PROD | OIL RUNS        | GAS PROD | WATER | GRAVITY | OIL PRICE | GAS PRICE |
| MAY'94            | 83       | 81              | 264      | 1168  | 40.8    | \$17.25   | \$1.50    |
| JUN               | 176      | 183             | 700      | 1107  | 40.3    | \$18.00   | \$1.56    |
| JUL               | 188      | 189             | 800      | 211   | 39.2    | \$17.98   | \$1.56    |
| AUG               | 274      | 246             | 784      | 267   | 39.8    | \$15.98   | \$1.56    |
| SEP               | 275      | 280             | 925      | 298   | 40.0    | \$16.00   | \$1.58    |
| OCT               | 295      | 0               | 944      | 326   | 40.0    | \$0.00    | \$1.55    |
| NOV               | 275      | 306             | 941      | 290   | 40.7    | \$16.50   | \$1.29    |
| DEC               | 277      | 103             | 933      | 286   | 41.1    | \$15.25   | \$1.31    |
| JAN '95           | 210      | 262             | 832      | 265   | 41.3    | \$17.00   | \$1.31    |
| FEB               | 113      | 0               | 706      | 165   | 40.0    | \$0.00    | \$1.18    |
| MAR               | 89       | 146             | 552      | 1105  | 41.2    | \$17.25   | \$1.20    |
| APR               | 131      | 0               | 1048     | 957   | 40.0    | \$0.00    | \$1.21    |

| LEASE: LION STATE -A- |          | 02-P-09-14S-33E |          |       |         |           |           |
|-----------------------|----------|-----------------|----------|-------|---------|-----------|-----------|
| MONTH                 | OIL PROD | OIL RUNS        | GAS PROD | WATER | GRAVITY | OIL PRICE | GAS PRICE |
| MAY'94                | 98       | 132             | 446      | 229   | 40.8    | \$17.25   | \$1.50    |
| JUN                   | 109      | 0               | 533      | 165   | 40.3    | \$18.00   | \$1.56    |
| JUL                   | 107      | 143             | 548      | 164   | 39.2    | \$17.98   | \$1.56    |
| AUG                   | 189      | 205             | 701      | 325   | 39.8    | \$15.98   | \$1.56    |
| SEP                   | 178      | 0               | 726      | 270   | 40.0    | \$16.00   | \$1.58    |
| OCT                   | 153      | 170             | 463      | 334   | 40.0    | \$0.00    | \$1.55    |
| NOV                   | 18       | 170             | 159      | 371   | 40.7    | \$16.50   | \$1.29    |
| DEC                   | 171      | 191             | 229      | 333   | 41.1    | \$15.25   | \$1.31    |
| JAN '95               | 182      | 0               | 81       | 263   | 41.3    | \$17.00   | \$1.31    |
| FEB                   | 135      | 206             | 564      | 216   | 40.0    | \$0.00    | \$1.18    |
| MAR                   | 118      | 132             | 606      | 233   | 41.2    | \$17.25   | \$1.20    |
| APR                   | 120      | 0               | 765      | 242   | 40.0    | \$0.00    | \$1.21    |

New Crude Oil Contract - effective 5-1-95 - Scurlock Permian Corporation  
 WTI Posting deemed 40 degrees plus premium \$0.65

# TAMARACK PETROLEUM COMPANY, INC.

LEASE: SAUNDERS STATE 01-N-09-14S-33E

| MONTH        | OIL PROD | OIL RUNS | GAS PROD | WATER | GRAVITY | OIL PRICE | GAS PRICE |
|--------------|----------|----------|----------|-------|---------|-----------|-----------|
| WELL SHUT-IN |          |          |          |       |         |           |           |

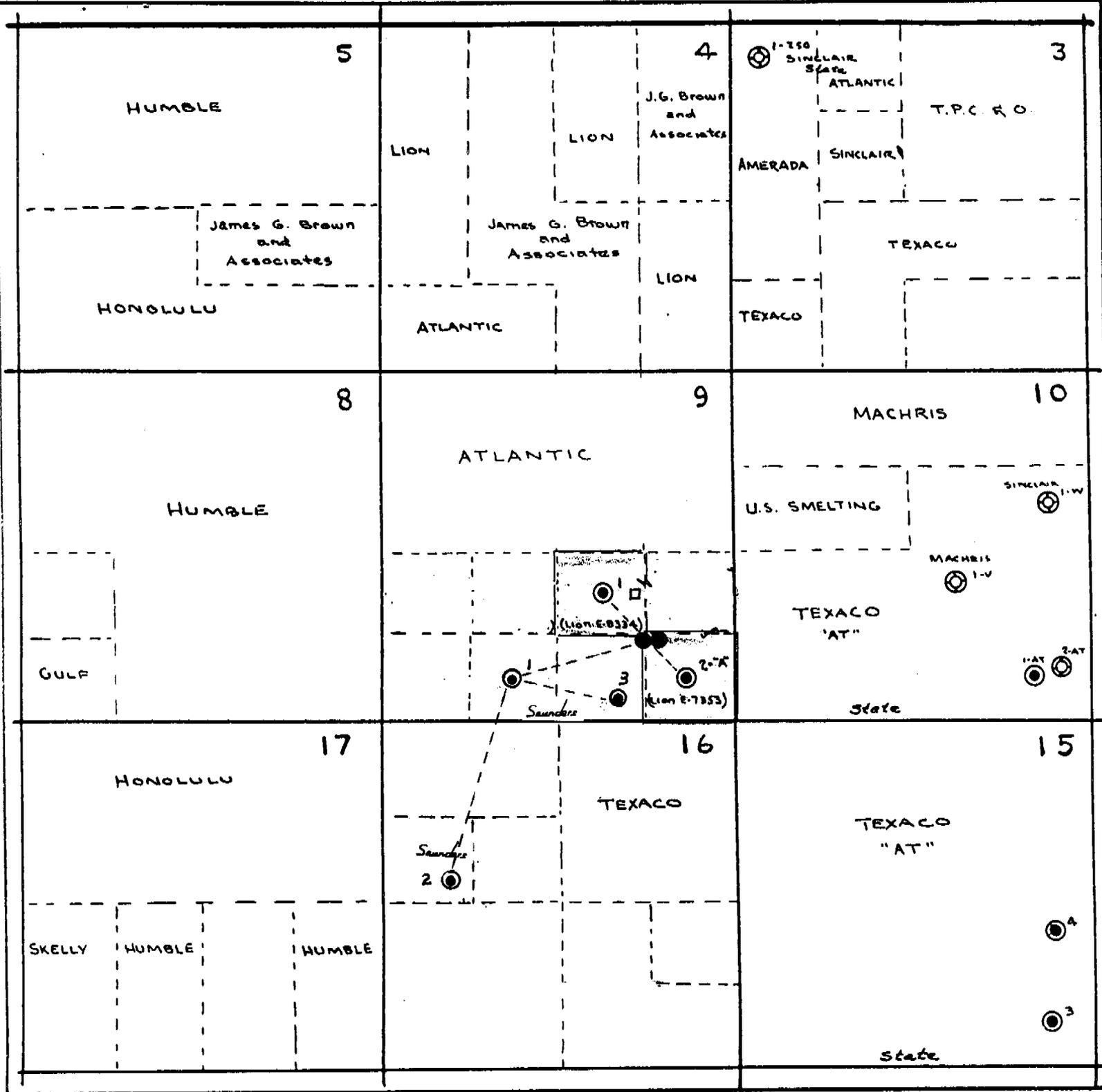
LEASE: SAUNDERS STATE 02-E-16-14S-33E

| MONTH   | OIL PROD | OIL RUNS | GAS PROD | WATER | GRAVITY | OIL PRICE | GAS PRICE |
|---------|----------|----------|----------|-------|---------|-----------|-----------|
| MAY'94  | 98       | 132      | 1        | 229   | 41.4    | \$18.10   | \$0.00    |
| JUN     | 109      | 0        | 1        | 165   | 40.4    | \$0.00    | \$0.00    |
| JUL     | 107      | 143      | 1        | 164   | 40.3    | \$19.35   | \$0.00    |
| AUG     | 189      | 205      | 1        | 325   | 40.4    | \$16.60   | \$0.00    |
| SEP     | 178      | 0        | 1        | 270   | 40.3    | \$0.00    | \$0.00    |
| OCT     | 153      | 170      | 1        | 334   | 41.0    | \$17.10   | \$0.00    |
| NOV     | 168      | 170      | 1        | 371   | 41.1    | \$16.35   | \$0.00    |
| DEC     | 171      | 191      | 1        | 333   | 41.7    | \$16.85   | \$0.00    |
| JAN '95 | 182      | 0        | 1        | 263   | 41.3    | \$0.00    | \$0.00    |
| FEB     | 135      | 206      | 1        | 216   | 41.7    | \$17.35   | \$0.00    |
| MAR     | 118      | 132      | 1        | 233   | 41.6    | \$17.85   | \$0.00    |
| APR     | 120      | 0        | 1        | 242   | 41.0    | \$0.00    | \$0.00    |

LEASE: SAUNDERS STATE 03-O-09-14S-33E

| MONTH   | OIL PROD | OIL RUNS | GAS PROD | WATER | GRAVITY | OIL PRICE | GAS PRICE |
|---------|----------|----------|----------|-------|---------|-----------|-----------|
| MAY'94  | 239      | 322      | 1        | 481   | 41.4    | \$18.10   | \$0.00    |
| JUN     | 215      | 0        | 1        | 510   | 40.4    | \$0.00    | \$0.00    |
| JUL     | 202      | 271      | 1        | 262   | 40.3    | \$19.35   | \$0.00    |
| AUG     | 230      | 249      | 1        | 264   | 40.4    | \$16.60   | \$0.00    |
| SEP     | 177      | 0        | 1        | 384   | 40.3    | \$0.00    | \$0.00    |
| OCT     | 276      | 307      | 1        | 307   | 41.0    | \$17.10   | \$0.00    |
| NOV     | 237      | 240      | 1        | 273   | 41.1    | \$16.35   | \$0.00    |
| DEC     | 242      | 270      | 1        | 244   | 41.7    | \$16.85   | \$0.00    |
| JAN '95 | 219      | 0        | 1        | 267   | 41.3    | \$0.00    | \$0.00    |
| FEB     | 162      | 248      | 1        | 236   | 41.7    | \$17.35   | \$0.00    |
| MAR     | 152      | 170      | 1        | 255   | 41.6    | \$17.85   | \$0.00    |
| APR     | 131      | 0        | 1        | 261   | 41.0    | \$0.00    | \$0.00    |

New Cruce Oil Contract - effective 5-1-95 - Scurlock Permian Corporation  
WTI Posting deemed 40 degrees plus \$0.65 premium



Lea County, New Mexico  
 T-14 S, R-33-E

Scale: 1 inch equals 2000'

SAUNDERS STATE & LION STATE BATTERY

TANKS ●  
 FLOWLINES - - - -