

PLC 6/1/00



CLAYTON WILLIAMS ENERGY, INC.

12

May 10, 2000

New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
Attn: Mr. Mark Ashley
2040 South Pacheco
Santa Fe, New Mexico 87505

Clayton Williams Energy, Inc. requests authority for Pool/Lease Commingling (PLC)-Multiple Leases-Multiple Pools (Division Rules 303, 309-A. and 309-B.) for its State "20B" and State "20E" leases in the Grayburg Jackson 7R'S, QN, GB, SA Pool (28509) and the Empire E (Yeso) Pool (96610) into our Central Tank Battery. Both leases are located in Section 20, T17S, R29E in Eddy County.

Currently there are six (6) wells producing on the State "20B" lease and one (1) well producing on the State "20E" lease from the Empire E (Yeso) Pool. We have recently recompleted two wells, the State "20B" #1 and State "20B" #2 wells to the Grayburg Jackson 7R'S, QN, GB, SA Pool.

These leases have recently received authority to surface commingle. (CTB)

The following is a list of requirements for PLC:

Gas Gravity for Empire E (Yeso) pool	.759 BTU 1201
Oil Gravity for Empire E (Yeso) pool	38.2 deg.
Gas Gravity for Grayburg Jackson pool	.739 BTU 1145
Oil Gravity for Grayburg Jackson pool	38.0 deg.
Current volume from Empire E (Yeso) pool	356 BOPD 695 MCFD 2750 BWPD
Current volume from Grayburg Jackson pool	123 BOPD 196 MCFD 750 BWPD

The gravity and BTU content of the gases and the gravity of the oils from each pool are very similar. Therefore, when commingled, the value of the hydrocarbons will not be materially changed and will not affect any of the product prices of the hydrocarbons.

Schematic of Facility (attached)

Plat of Leases and wells (attached)

Clayton Williams Energy, Inc. is the operator of State of New Mexico Lease B-6846 covering the NE4 and the SW4 of the SE4 of Section 20 T17S R29E and State of New Mexico Lease E-4201 covering the NE4 of the NW4 of Section 20 T17S R29E.

Clayton Williams Energy, Inc. and Mark Heinen (an employee of Clayton Williams Energy, Inc.) are the only working interest owners and the State of New Mexico is the only Royalty owner. There are no overriding royalty interest owners.

Clayton Williams Energy, Inc. has notified all owners by certified mail of its intention to Pool Lease Commingle

All wells will be tested during each month at the Central Tank Battery for well and Pool allocation purposes.

Please contact me at 915-688-3251 should you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Matt Swierc". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Matt Swierc
Clayton Williams Energy, Inc.
Production Superintendent

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

FOR ATTACHMENT ONLY

Form C-102
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL :

ON PLAT

¹ API Number		² Pool Name
⁴ Property Code	³ Property Name	⁵ Well Number
⁷ OGRID No.	⁶ Operator Name <i>Clayton Williams Energy, Inc.</i>	⁸ Elevation

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	20	17S	29E						Eddy

¹¹ 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
	-								

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

16			<p>¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>Date _____</p>
		<p>State of New Mexico Lease B-6846 State "20B"</p>	<p>¹⁸ SURVEYOR CERTIFICATION <i>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.</i></p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p>
			<p>Certificate Number _____</p>

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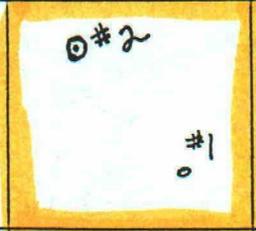
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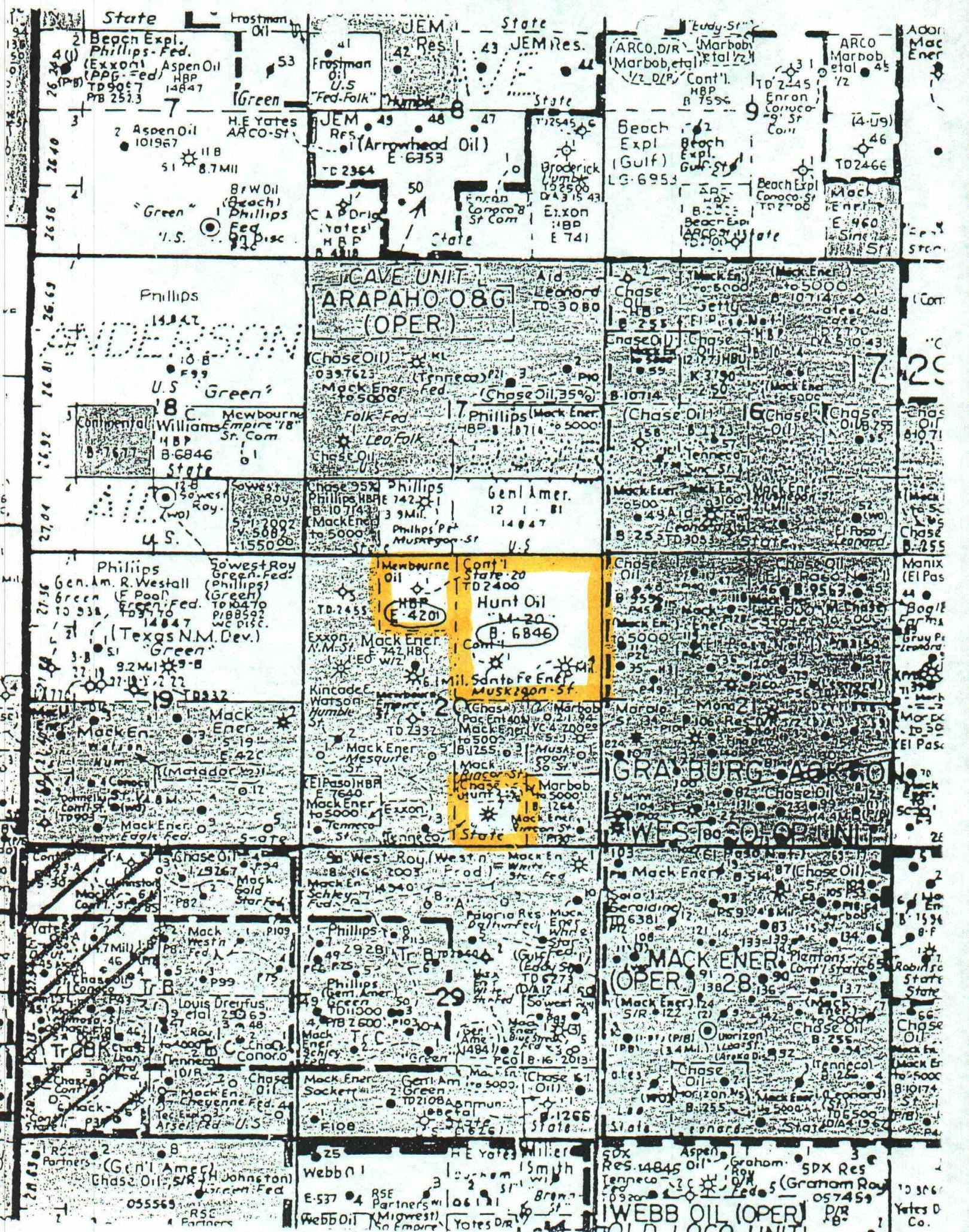
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	State of New Mexico Lease E-4201 State "20E"	<p>¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <hr/> Date of Survey <hr/> Signature and Seal of Professional Surveyer: <hr/>
		Certificate Number



State

Frostman Oil

JEM

State

Eddy St

Adair Mac Ener

2 Beach Expl. Phillips-Fed. (Exxon) Aspen Oil (PPG-Fed) HBP 14647 PB 2533

41 Frostman Oil U.S. Fed-Folk

42 Res. 43 JEM Res.

ARCO, D/R (Marbob) (Marbob, et al) Cont'l. HBP B 7556

ARCO Marbob et al 45 72

2 Aspen Oil 101967 H.E. Yates ARCO-St. Green 11B 8.7Mil

JEM Res. (Arrowhead Oil) E 6353

Beach Expl. (Gulf) Beach Expl. Gulf St. L.S. 6953

(4-U9) 46 TO2466

Phillips 14842 U.S. Green

CAVE UNIT ARAPAHO O&G (OPER.) Chase Oil 0397623 (Tenneco) P21 3 P10

Chase Oil 10714 Mack Ener 10714

17 29 Chase Oil 61071

Phillips Gen. Am. R. Westall Green F Pool Green Fed. 14847 (Texas N.M. Dev.) Green 9.2Mil

Cont'l State 20 TO2400 Hunt Oil M-20 B. 6846

Chase Oil 10714 Mack Ener 10714

Manix El Pas 44 Bogie Farms Gruy Pe

Mack Ener 5-19 E 42C

So West Roy. (West n) Mack Ener 10714

Mack Ener 10714

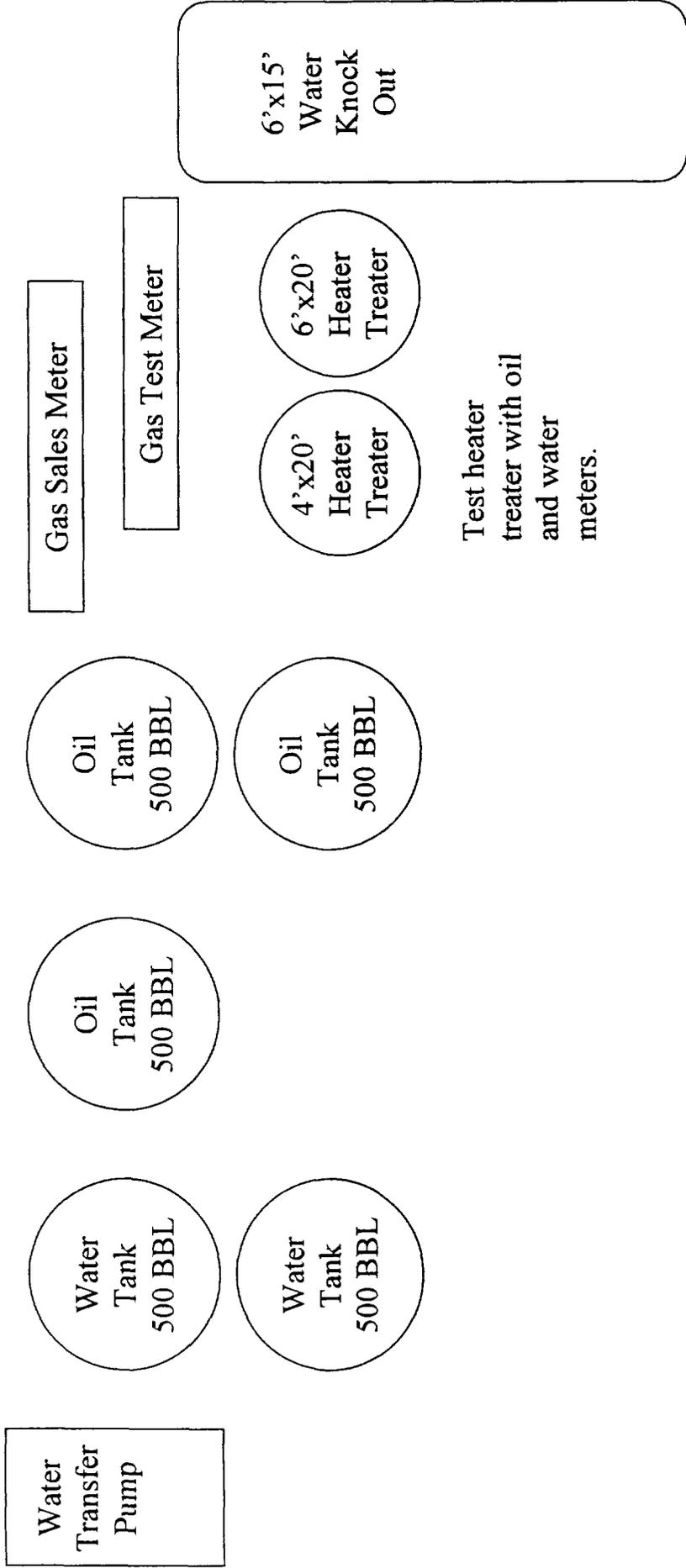
Chase Oil 10714

Webb Oil (Gen'l Amer) Chase Oil SR Johnston 055569

Webb Oil RSE Partners (Midwest) Yates Dr

Webb Oil (OPER) 10714

Yates D Co.



Test heater
treater with oil
and water
meters.

Clayton Williams Energy, Inc.
 Central Tank Battery
 Sec.20 T17S R29E Unit A
 Eddy County, NM
 State "20B" & State "20E"