

2875 + 2001

10/19/00



## PHILLIPS PETROLEUM COMPANY

4001 PENBROOK  
ODESSA, TEXAS 79762

EXPLORATION AND PRODUCTION  
Permian Profit Center

September 28, 2000

Michael Stogner, Hearings Examiner  
State of New Mexico  
Energy, Minerals, and Natural Resources  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87504

Re: Request for Unorthodox Location  
West Maljamar "7"  
Well No. 1  
Lea County, New Mexico

Dear Sir:

Phillips Petroleum Company respectfully requests administrative approval for an unorthodox location for the subject well based on geological considerations. The well is to be located as indicated on the attached NMOCD Form C-102.

Under the provision of NMOCD Rule 104.F (3) attached is the information requested for the justification of Phillips' request. The list of operators of all spacing units surrounding the area of interest is attached.

If any additional information is needed, please contact me at the letterhead address or telephone (915) 368-1488 or Celeste Dale at (915) 368-1667.

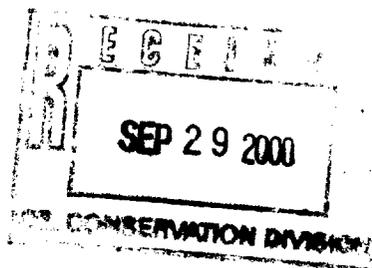
Sincerely,

A handwritten signature in cursive script that reads "L. M. Sanders".

L. M. Sanders  
Supervisor, Regulation/Proration

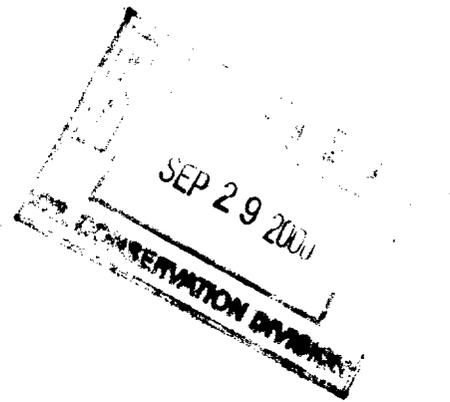
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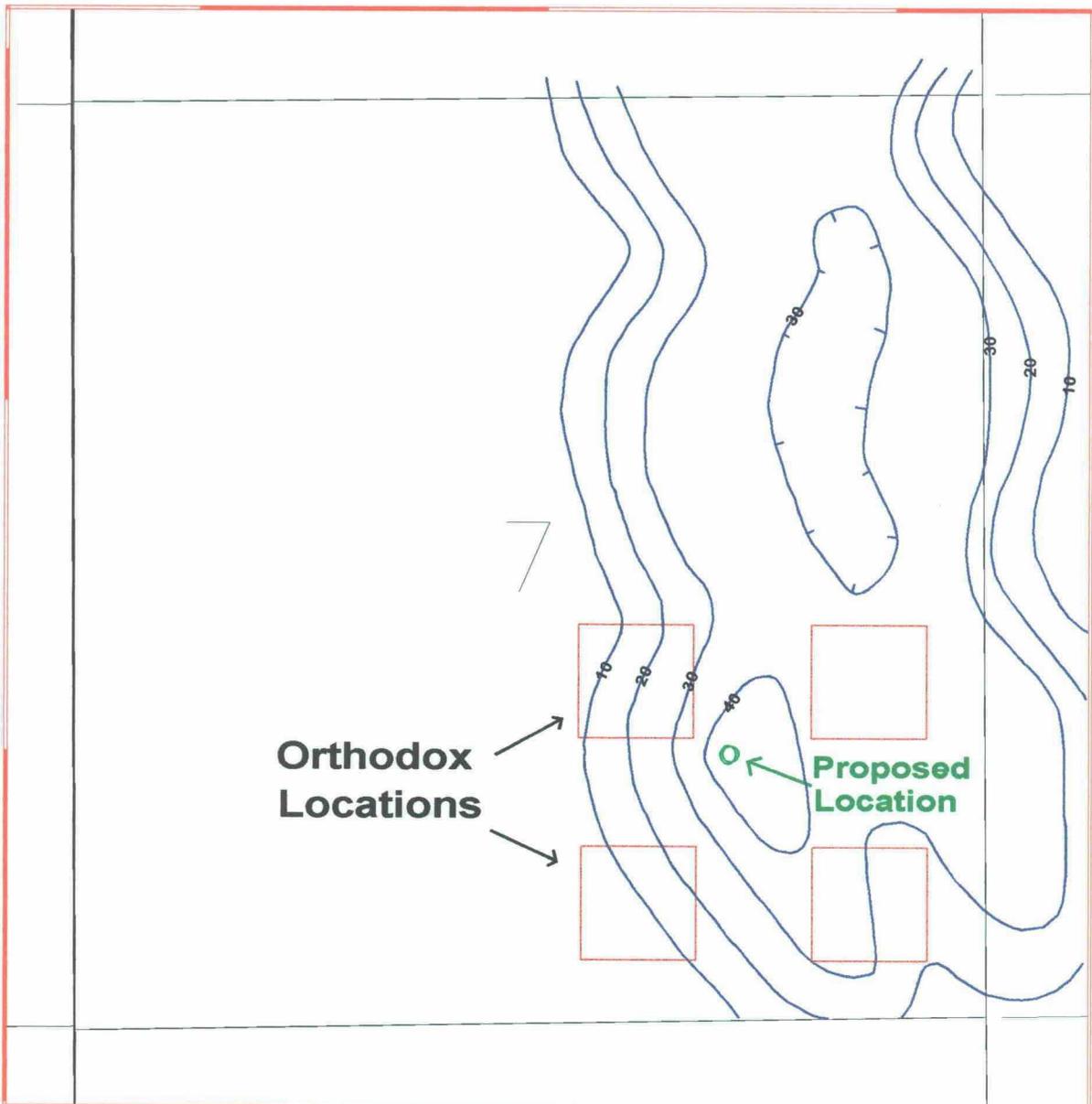
cc: NMOCD at Hobbs



## Maljamar "7" #1 Unorthodox Location for Wolfcamp

The proposed well is located to test the Atoka potential. Isopach mapping based on seismic attributes indicates Atoka sand trends north-south under the east-half of Section 7. The optimum location to test the Atoka is at the (320-acre orthodox) location of 1669' FSL & 1422' FEL, Section 7. To drill in any other location would not adequately test the geophysical model and would lead to inconclusive results. The additional risk at some other location would prohibitively burden the economics of this project. Should the well require completion uphole in the Wolfcamp, this 40-acre location would be unorthodox.



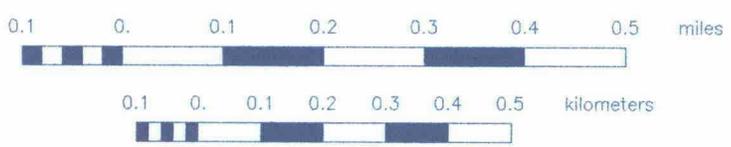


670000.

-103.700



Scale 1:12000.



Phillips Petroleum Company		
West Maljamar "7" #1 Atoka Sand Isopach From 3D Seismic Attributes		
D. Jordan		9/27/00
Scale 1:12000.		

District I  
 P.O. Box 1980, Hobbs, NM 88241-1980  
 District II  
 811 S. 1st Street, Artesia, NM 88210-2834  
 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, 1999  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 6 Copies  
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator name and Address		<sup>2</sup> OGRID Number	
Phillips Petroleum Company 4001 Penbrook Street Odessa, TX 79762		017643	
		<sup>3</sup> API Number	
		30-0 25-	
<sup>4</sup> Property Code	<sup>5</sup> Property Name		<sup>6</sup> Well No.
	WEST MALJAMAR -7-		1

<sup>7</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	7	17-S	33-E		1669	SOUTH	1422	EAST	LEA

<sup>8</sup> Proposed 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

<sup>9</sup> Proposed Pool 1					<sup>10</sup> Proposed Pool 2				
WILDCAT (ATOKA-MORROW)					WILDCAT (WOLFCAMP)				

<sup>11</sup> Work Type Code	<sup>12</sup> Well Type Code	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type Code	<sup>15</sup> Ground Level Elevation
N	G	R	S	4217'
<sup>16</sup> Multiple	<sup>17</sup> Proposed Depth	<sup>18</sup> Formation	<sup>19</sup> Contractor	<sup>20</sup> Spud Date
NO	13,700'	MISSISSIPPIAN	UNKNOWN	UPON APPROVAL FROM NMOCD

<sup>21</sup> Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#	400'	500 SX PREM+	SURFACE
12-1/4"	9-5/8"	40#	4600'	700 SX CL "C"	SURFACE
8-3/4"	7"	26# & 29#	11,000'	250SX50/50POZ A	9300'
6"	4-1/2" LINER	13.5#	10800-13700'	200 SX SUPER "H"	10800'

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

BOP SCHEMATIC ATTACHED

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *L. M. Sanders*  
 Printed name: L. M. SANDERS

Title: SUPV., REGULATION/PRORATION

OIL CONSERVATION DIVISION

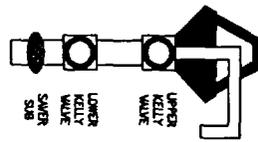
Approved by:

Title:

Approval Date:

Expiration Date:

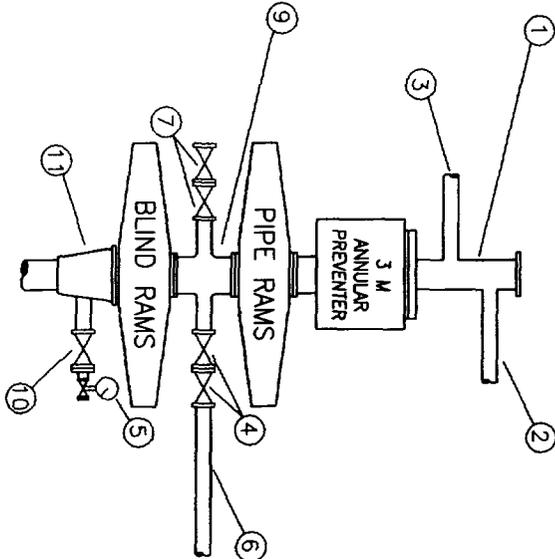
DRILLSTRING  
CONTROL  
DEVICES



ON DRILL FLOOR



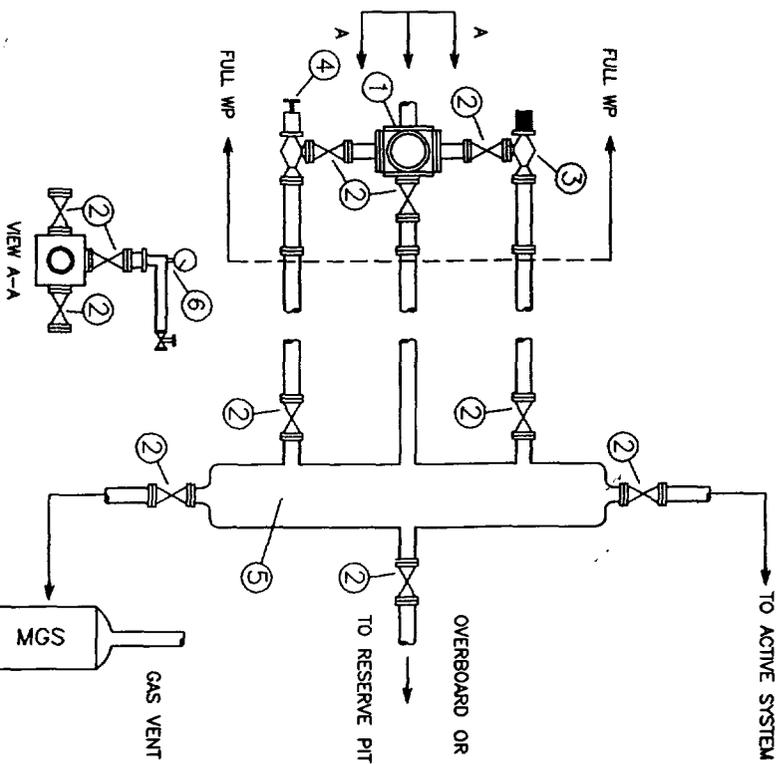
BOP STACK



- 1 BELL NIPPLE
- 2 FLOW LINE
- 3 FILL-UP LINE
- 4 3" FE PRESSURE-OPERATED CHOKE LINE VALVE
- 5 PRESSURE GAUGE
- 6 3" FE CHOKE LINE TO CHOKE MANIFOLD
- 7 3" FE GATE OR PLUG VALVES
- 8 2" KILL LINE
- 9 DRILLING SPOOL
- 10 2" SE OR FE GATE VALVE WITH NEEDLE VALVE
- 11 CASING HEAD HOUSING

CHOKE MANIFOLD

DISCHARGE MANIFOLD OPTIONAL FOR LAND RIGS



- 1 CROSS
- 2 GATE OR PLUG VALVE
- 3 CHOKE (ADJUSTABLE ONLY)
- 4 MANUAL ADJUSTABLE CHOKE
- 5 BUFFER CHAMBER/DISCHARGE MANIFOLD
- 6 NEEDLE VALVE AND PRESSURE GAUGE

DISTRICT I  
1825 N. French Dr., Hobbs, NM 88240

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 86211-0719

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

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

DISTRICT IV  
P.O. BOX 2086, SANTA FE, N.M. 87504-2086

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-	Pool Code	Pool Name Wildcat (Atoka-Morrow)
Property Code	Property Name WEST MALJAMAR "7"	Well Number 1
OGRID No. 017643	Operator Name PHILLIPS PETROLEUM COMPANY	Elevation 4217

Surface Location

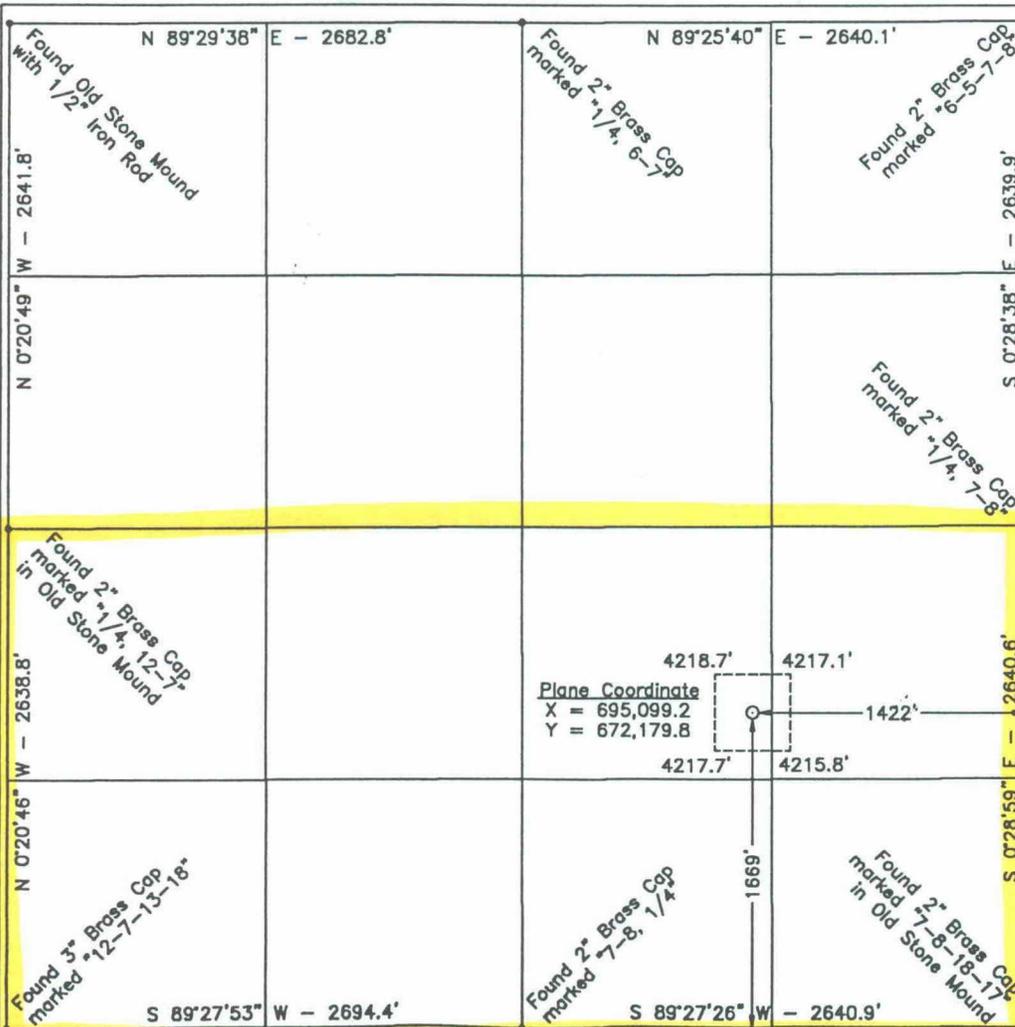
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Bottom Hole Location If Different From Surface

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.

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.

*L. M. Sanders*  
Signature

L. M. Sanders  
Printed Name

Supv., Regulation/  
Title

September 28, 2000  
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.

August 31, 2000  
Date Surveyed

Signature & Seal of Professional Surveyor

W.O. Num. 2000-0638

Certificate No. 12185

DISTRICT I  
1825 N. French Dr., Hobbs, NM 88240

State of New Mexico  
Energy, Minerals & Natural Resources Department

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Revised August 15, 2000  
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2040 South Pacheco  
Santa Fe, NM 87505

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DISTRICT IV  
P.O. BOX 2068, SANTA FE, N.M. 87504-2068

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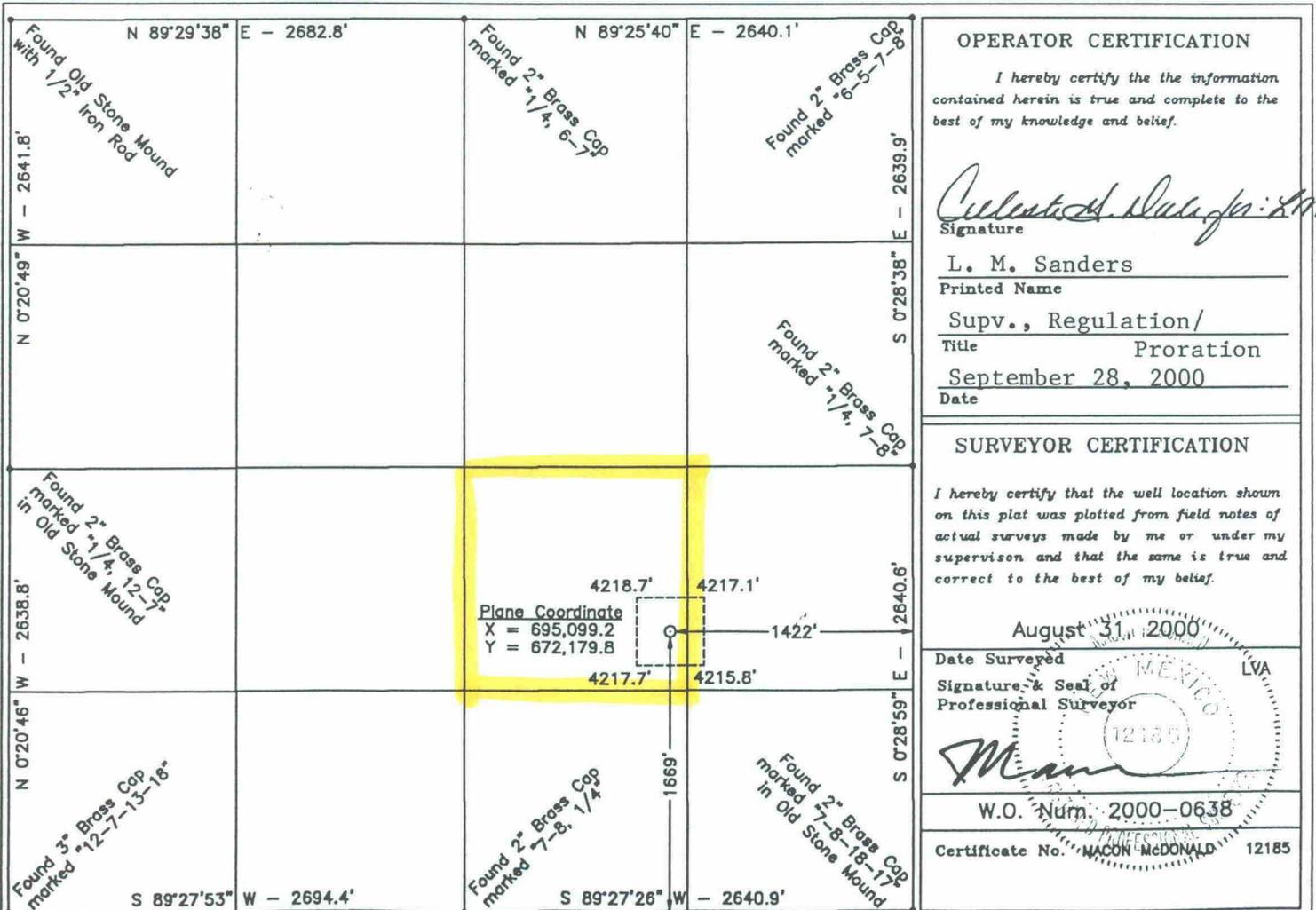
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*L. M. Sanders*  
Signature

L. M. Sanders  
Printed Name  
Supv., Regulation/  
Title  
Proration  
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Date

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August 31, 2000  
Date Surveyed  
Signature & Seal of Professional Surveyor

W.O. Num. 2000-0638  
Certificate No. MACON McDONALD 12185



**PROOF OF NOTICE**  
**WEST MALJAMAR "7" WELL #1 , LEA CO., NM**

I hereby certify that attached are waivers from offset operators for the unorthodox location application to drill.

Signed:   
Name: L. M. Sanders  
Title: Supervisor, Regulation/Proration  
Date: 09/28/00

**OFFSET OPERATORS**

Texaco Exploration and Production Inc.  
P. O. Box 3109  
Midland, TX 79702

Phillips Petroleum Company  
4001 Penbrook St.  
Odessa, TX 79762

**PHILLIPS PETROLEUM COMPANY  
WEST MALJAMAR "7"  
WELL #1  
LEA COUNTY, NEW MEXICO**

**OFFSET OPERATORS**

Phillips Petroleum Company is an offset/adjacent operator per New Mexico Statewide Rule 104. Phillips has no objection to the proposed location.



L. M. Sanders  
Supervisor, Regulation/Proration  
September 28, 2000

/cgd

**PHILLIPS PETROLEUM COMPANY  
WEST MALJAMAR "7"  
WELL #1  
LEA COUNTY, NEW MEXICO**

**OFFSET OPERATORS**

Texaco Exploration and Production, Inc., P. O. Box 3109, Midland, TX 79702; is an offset/adjacent operator per New Mexico Statewide Rule 104. Texaco has no objection to the proposed location.

Name:   
Title: Hubbs AT Manager  
Date: 9-28-00

/cgd



CMD :  
OG5SECT

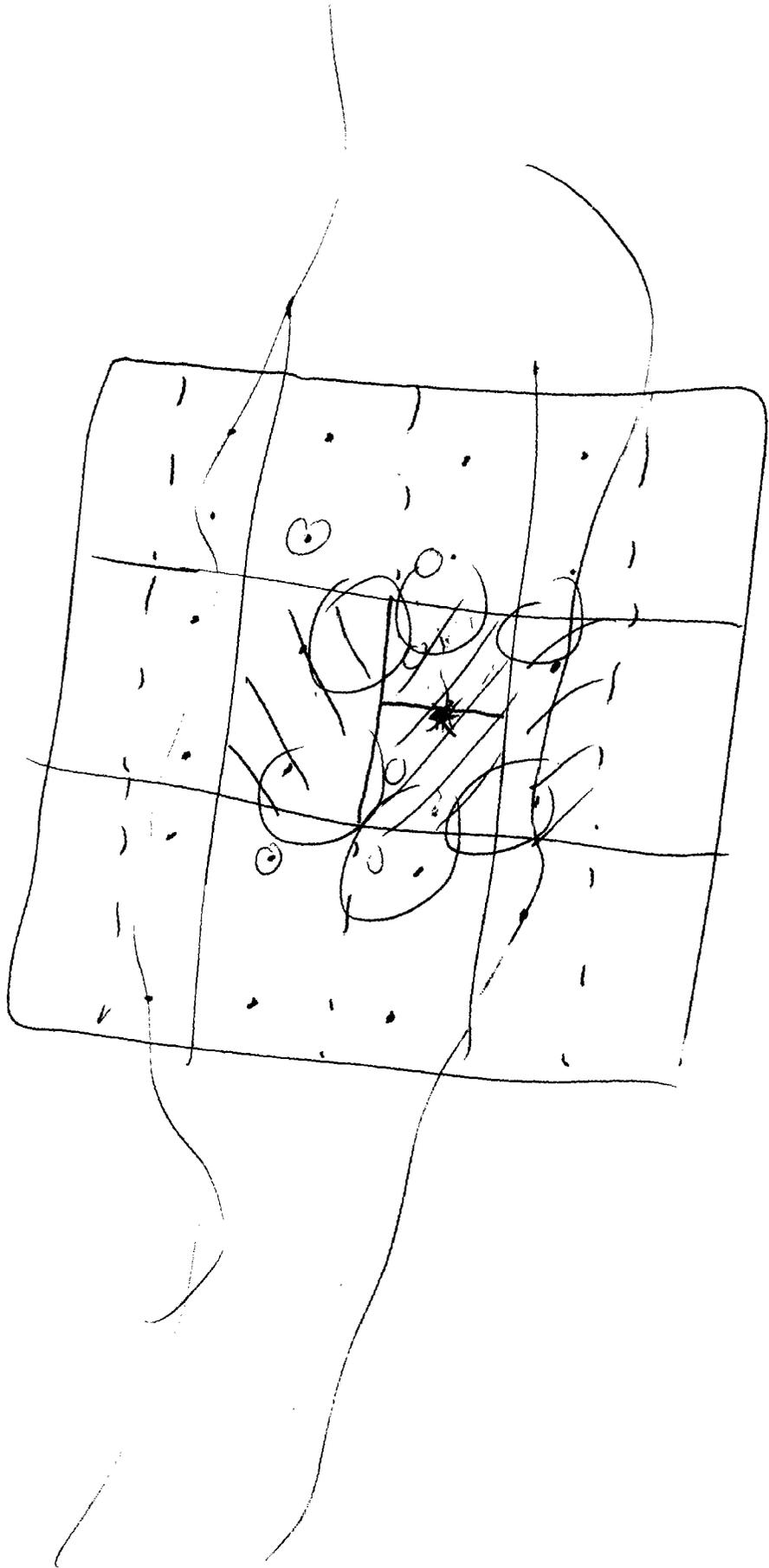
ONGARD  
INQUIRE LAND BY SECTION

10/03/00 10:11:26  
OGOMES -TQIE  
PAGE NO: 1

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1 41.33 CS V05780 0001 PATTERSON PETROLE 04/01/05	C 40.00 CS V05780 0001 PATTERSON PETROLE 04/01/05	B 40.00 CS B02516 0003 C T MCLAUGHIN 02/10/44 A	A 40.00 CS V05571 0000 MARATHON OIL CO 07/01/04 A
2 41.43 CS B02229 0000 PHILLIPS PETROLEU U 11/10/43 A	F 40.00 CS B02229 0000 PHILLIPS PETROLEU U 11/10/43 A	G 40.00 CS B01565 0010 TEXACO EXPL & PRO 11/20/38 A	H 40.00 CS B01565 0010 TEXACO EXPL & PRO 11/20/38 A

PF01 HELP    PF02            PF03 EXIT    PF04 GoTo    PF05            PF06  
PF07 BKWD   PF08 FWD      PF09 PRINT   PF10 SDIV    PF11            PF12



CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

10/03/00 10:11:35  
OGOMES -TQIE  
PAGE NO: 2

Sec : 07 Twp : 17S Rng : 33E Section Type : NORMAL

3 41.53 CS B02229 0000 PHILLIPS PETROLEU U 11/10/43 A	K 40.00 CS B02229 0000 PHILLIPS PETROLEU U 11/10/43 A	J 40.00 CS B02229 0000 PHILLIPS PETROLEU U 11/10/43 A	I 40.00 CS B02229 0000 PHILLIPS PETROLEU U 11/10/43 A
4 41.63 CS B02516 0032 SOUTHLAND ROYALTY U 02/10/44 A	N 40.00 CS B02229 0000 PHILLIPS PETROLEU U 11/10/43 A	O 40.00 CS B02229 0000 PHILLIPS PETROLEU U 11/10/43 A	P 40.00 CS B02229 0000 PHILLIPS PETROLEU U 11/10/43 A

PF01 HELP    PF02            PF03 EXIT    PF04 GoTo    PF05            PF06  
PF07 BKWD   PF08 FWD      PF09 PRINT   PF10 SDIV     PF11            PF12

83.16  
8  
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163.16  
16  
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323.16