

108-49152 NSL

4/9/01

SEELY OIL COMPANY
815 WEST TENTH STREET
FORT WORTH, TEXAS 76102

MAR 19 2001

March 14, 2001

New Mexico Energy, Minerals and Natural
Resources Department
Oil Conservation Division
1220 South St. Francis Street
Santa Fe, New Mexico 87504

Re: Seely Oil Company
Non-Standard Location
McElvain Federal #8
990' FNL and 1550' FEL
Section 30, T18S, R34E, NMPM
Lea County, New Mexico

Attention: Mr. Michael Stogner

Gentlemen:

Seely Oil Company proposes to drill its McElvain Federal #8 as a 6000' Delaware test on the NW/4 of the NE/4 of Section 30, T18S, R34E, NMPM, Lea County, New Mexico. The drilling of this proposed well at a standard location is not possible without major revisions of facilities such as caliche road maintained by the county, electric power line, and Conoco pipeline.

Since it is also geologically important that this proposed well be drilled on the east side of this proration unit, we are therefore proposing to drill this well at a location 990' FNL and 1550' FEL of said Section 30 which is 100' closer to the east boundary of the NW/4 of the NE/4 of said Section 30 than normal.

Seely Oil Company is the operator of the off-setting east 40-acre proration unit (NE/4 of the NE/4) to this proposed non-standard location. Both proration units are part of Federal Lease NM-0245247.

The following data is enclosed for your information to assist you in your consideration of your approval of this non-standard location request:

- (1) Copy of BLM approved APD for this proposed non-standard location.
- (2) Map showing acreage included in Federal Lease NM-0245247 and location of proposed non-standard well.

New Mexico Energy, Minerals and Natural
Resources Department
Oil Conservation Division
Seely Oil Company Non-Standard McElvain Federal #8
March 14, 2001

Page No. 2

- (3) Surveyor's plat showing surface facilities that interfere with drilling of proposed well at standard location.
- (4) Topographic map of area around the proposed location.

Present plans call for a drilling rig to be available to drill this well during the latter part of April '01. Since Seely Oil Company is under the terms of a farmout agreement, it is necessary that we commence this well on or before this date.

Your approval of this application at your earliest convenience will be appreciated.

Should you have any questions and/or comments, please contact the undersigned at 817/946-8795 or Seely Oil Company at 817/332-1377.

Thank you.

Very truly yours,

SEELY OIL COMPANY

C. W. Stumhoffer

C. W. Stumhoffer

CWS

cc: New Mexico Energy, Minerals and Natural
Resources Department
Oil Conservation Division
Hobbs, New Mexico 88240
Attention: Marie

3-23-01

*talked w / CW
give verbal OK*

3160-3
August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

5. Lease Serial No.
NM-0245247
6. If Indian, Allottee or Tribe Name
7. If Unit or CA Agreement, Name and No.
8. Lease Name and Well No.
McElvain Federal, Well No. 8
9. API Well No.

1a. Type of Work: DRILL REENTER
1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
Seely Oil Company

3a. Address
815 W. 10th St. F. Worth, TX 76102
3b. Phone No. (include area code)
817/332-1377

10. Field and Pool, or Exploratory
EK ~~Queen~~ Delaware
11. Sec., T., R., M., or Blk. and Survey or Area
Sec. 30-T18S-R34E

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface 990' FNL & 1550' FSL
At proposed prod. zone same
SUBJECT TO LIKE APPROVAL BY STATE

14. Distance in miles and direction from nearest town or post office*
30 miles to Hobbs, NM

12. County or Parish
Lea
13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 990'

16. No. of Acres in lease
1751.44

17. Spacing Unit dedicated to this well
40

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 542'

19. Proposed Depth
6,000'

20. BLM/BIA Bond No. on file
MM-1816

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
3954 GL

22. Approximate date work will start*
February 25, 2001

23. Estimated duration
3 weeks

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).

- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature
George R. Smith
Title
Agent for Seely Oil Company

Name (Printed/Typed)
George R. Smith
Date
02/05/01

Approved by (Signature)
Mary J. Rugwell
Title
for FIELD MANAGER

Name (Printed/Typed)
Mary J. Rugwell
Office
SUPERVISOR FIELD OFFICE
Date
3/7/01

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Lease Responsibility Statement: Seely Oil Company accepts all applicable terms, conditions, stipulations and restrictions concerning operations conducted on the leased land or portion thereof.

George R. Smith
George R. Smith, agent

**APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED**

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

DISTRICT II
811 South First, Artesia, NM 88210

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

2040 South Pacheco
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name EK Queen, Delaware
Property Code	Property Name McELVAIN FEDERAL	Well Number 8
OGRID No.	Operator Name SEELY OIL COMPANY	Elevation 3954'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	30	18 S	34 E		990	NORTH	1550	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 40	Joint or Infill	Consolidation Code	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.

NM-0245247 McElvain etal LAT - N32°43'23.7" LONG - W103°35'46.1"		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>George R. Smith</i> Signature George R. Smith, agent for Printed Name Seely Oil Company Title February 6, 2001 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>December 28, 2000 Date Surveyed</p> <p>Signature & Seal of Professional Surveyor W.O. Jones 7977 REGISTERED PROFESSIONAL LAND SURVEYOR BASIN SURVEYS </p>	

**APPLICATION FOR DRILLING
SEELY OIL COMPANY.**

McElvain Federal, Well No. 8
990' FNL & 1550' FEL, Sec. 30-T18S-R34E
Lea County, New Mexico
Lease No.: NM-0245247
(Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Seely Oil Co. submits the following items of pertinent information in accordance with BLM requirements:

- The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
- The estimated tops of geologic markers are as follows:

Rustler	1,680'
Base of Salt	3,000'
Queen	4,450'
Penrose	4,750'
San Andres	5,100'
Delaware	5,600'
T.D.	6,500'

- The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water in the Triassic between 80' - 230'.
Oil: Possible in the Queen below 4,450', Penrose below 4,750' and the Delaware below 5,600'.
Gas: None expected.

- Proposed Casing Program:

<u>HOLE SIZE</u>	<u>CASING SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>JOINT</u>	<u>SETTING DEPTH</u>	<u>QUANTITY OF CEMENT</u>
11"	8 5/8"	24.0#	J-55	ST&C	1,700' - 1,715'	Circ. 580 sx "C"
7 7/8"	5 1/2"	17.0#	J-55	ST&C	5,700' - 6,500'	250 sx +/- of HL, + 560 sx Pozmix

WITNESS

- Proposed Control Equipment: See Exhibit "E":

BOP Program:

A 10" 3000 psi wp Cameron Space Saver, double ram BOP, will be installed on the 8 5/8" casing. Casing and BOP will be tested before drilling out with 7 7/8".

<u>6. Mud Program:</u>	<u>MUD WEIGHT</u>	<u>VIS.</u>	<u>W/L CONTROL</u>
0' - 1700' Fresh water mud	9.3 ppg	33	No W/L control
1700' - 4100': Brine mud:	10.0 ppg	32	No W/L control
4100' - 6500': Cut Brine mud w/gel:	8.8 ppg	32	W/L control 15 cc+/-

- Auxiliary Equipment: Blowout Preventer, gas detector, Kelly cock, pit level monitor, flow sensors and stabbing valve.

- Testing, Logging, and Coring Program:

Drill Stem Tests: None unless warranted.

Logging: T.D. to 1700': G/R-Density Neutron, Dual Induction Log

1700' to surface: G/R, Neutron

Coring: None planned unless warranted in the Queen.

9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight. Estimated BHP = 2400 psi (evac. hole) with temperature of 120°.
10. H₂S: None expected. None in previously drilled wells.
11. Anticipated starting date: February 25, 2001.
Anticipated completion of drilling operations: Approx. 3 weeks.

MULTI POINT SURFACE USE AND OPERATIONS PLAN

SEELY OIL CO.

McElvain Federal, Well No. 8
990' FNL & 1550' FEL, Sec. 30-T18S-R34E
Lea County, New Mexico
Lease No.: NM-0245247
(Development Well)

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, to be followed in rehabilitating the surface environmental effects associated with the operations.

1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a USGS/BLM Topo map showing the location of the proposed well as staked. The well site location is approximately 52 road miles southeast of Artesia, New Mexico or 30 road miles northwest of Hobbs, NM. Traveling east from Artesia there will be approximately 50 miles of paved highway and 2.4 mile of gravel oilfield road.
- B. Directions: Travel east from Artesia, NM on U.S. Highway 82 for approximately 34 miles; turn southeast on NM Highway 529 for approximately 16.8 miles. Turn south .8 mile east of MM 16 at a cattle guard onto a county road with Oryx and Baber signs. Continue south and southeast for 2.4 miles on county road past a Seely tank battery on the west side of the road. Continue south for .1 mile to proposed location and access road on the left (east) side of the road. The start of the proposed access road is on the east side of the road and will run east for 85 feet to the southwest corner of the proposed well site.

2. PLANNED ACCESS ROAD:

- A. Length and Width: The access road will be constructed to a width of 12 feet and will be approximately 85 feet in length. The proposed access road is color coded red on Exhibit "A".
- B. Construction: The proposed access road will be constructed by grading and topping with compacted caliche and will be properly drained.
- C. Turnouts: None required.
- D. Culverts: None required.
- E. Cuts and Fills: Some minor cuts for 2-4 foot sand dunes.
- F. Gates, Cattle guards: None required.
- G. Off Lease R/W: None required.

3. LOCATION OF EXISTING WELLS:

- A. Existing wells within a two-mile radius are shown on Exhibit "C".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES;

- A. There are oil production facilities on the lease at this time.
- B. If the well proves to be commercial, the necessary production facilities, gas production-process equipment, tank battery will be installed on the drilling pad. or a 2", 125 psi PVC surface flow line will run parallel to the existing access roads back to a tank battery on the McElvain Fed. "A", Well No 1 in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 30-T18S-R34E. A 2' plastic SDR 11, 250/psi surface flow line for produced water will also be run parallel to the road and back to the above well.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is planned to drill the proposed well with fresh water that will be obtained from private or commercial sources and will be transported over the existing access roads or by surface fast line.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. Caliche for surfacing the proposed access road and well site pad will be obtained on location, if available, or from an approved Federal pit in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 18-T18S-R34E. No surface materials will be disturbed except those necessary for actual grading and leveling of the drill site and access road.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing materials to prevent livestock and wildlife from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or a separate disposal application will be submitted to the BLM for approval.
- E. Oil produced during operations will be stored in tanks until sold.
- F. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- G. Trash, waste paper, garbage and junk will be contained in trash bins to prevent scattering and will be removed for deposit in an approved sanitary landfill within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES:

- A. None required.

9. WELL SITE LAYOUT:

- A. Exhibit "D" shows the relative location and dimensions of the well pad, reserve pits, and major rig components.
- B. Mat Size: 180' X 210', plus 100' X 100' reserve pits. The pits will be on the north.
- C. Cut & Fill: A leveling of 3 – 5 foot sand dunes and basins will be required plus a 1-1.5 foot cut on the northeast will fill to the southwest.
- D. The surface will be topped with compacted caliche and the reserve pits will be plastic lined.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After completion of drilling and/or completion operations, all equipment and other material not required for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in an aesthetically pleasing a condition as possible
- B. Any unguarded pits containing fluids will be fenced until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled as soon as they are dry enough to work after abandonment.

11. OTHER INFORMATION:

- A. Topography: The proposed well site and access road is located in the Querecho Plains on the southwest slope of the Mescalero Ridge (Caprock). The location has a southwesterly slope of 1.6% from an elevation of 3954'.
- B. Soil: The topsoil at the well site is a dark brown fine sandy loam of the Kermit - Palomas Fine Sands Soils Series.
- C. Flora and Fauna: The vegetation cover is a fair grass cover of three-awn, bluestem, sand and spike dropseed, fluff grass, grama and other miscellaneous native grasses along with plants of mesquite, yucca, fourwing saltbush, shinnery oak brush, broomweed, cacti and miscellaneous weeds and wildflowers. The wildlife consists of rabbits, coyotes, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.
- D. Ponds and Streams: None in area.
- E. Residences and Other Structures: No structures except existing oil field facilities.
- F. Land Use: Cattle grazing.

11. OTHER INFORMATION: cont.....

- G. Surface Ownership: The proposed well site and access road are on Federal surface.
- H. There is some evidence of archaeological, historical or cultural sites near the southeast corner of the proposed 400' X 400' site. Archaeological Survey Consultants, P. O. Box D, Roswell, NM 88202 are conducting an archaeological survey, and their report will be submitted to the appropriate government agencies.

12. OPERATOR'S REPRESENTATIVE:

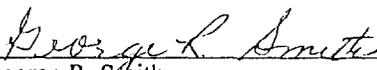
- A. The field representative responsible for assuring compliance with the approved surface use and operations plan is as follows:

David Henderson
SEELY OIL CO.
815 W. 10th St.
Ft. Worth, TX 76102
Office Phone: (817) 332-1377

13. CERTIFICATION:

I hereby certify that I have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Seely Oil Co. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

February 5, 2001



George R. Smith
Agent for: Seely Oil Co.

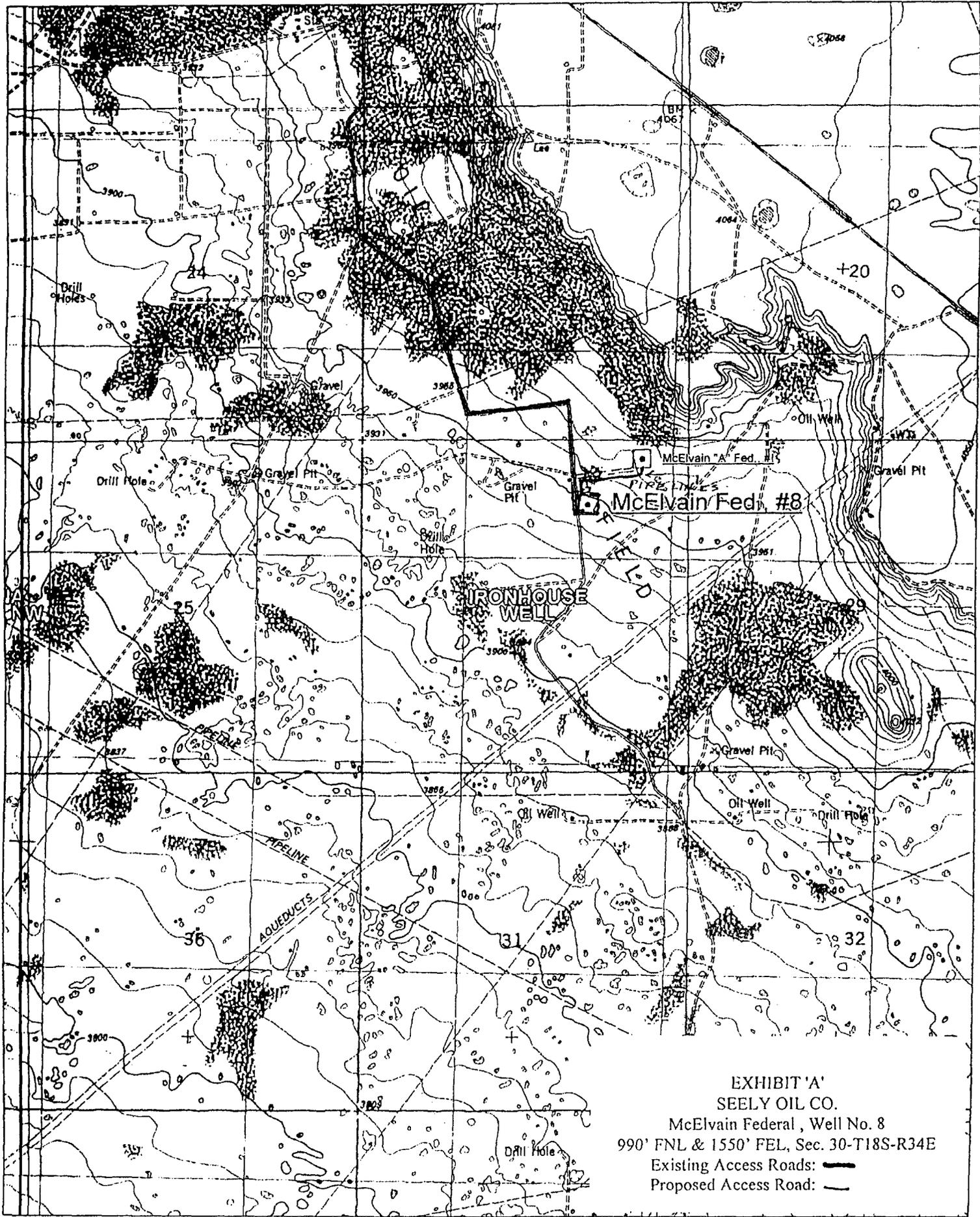
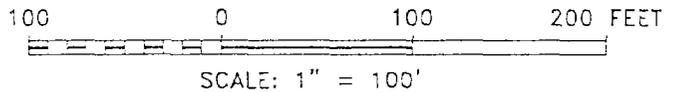
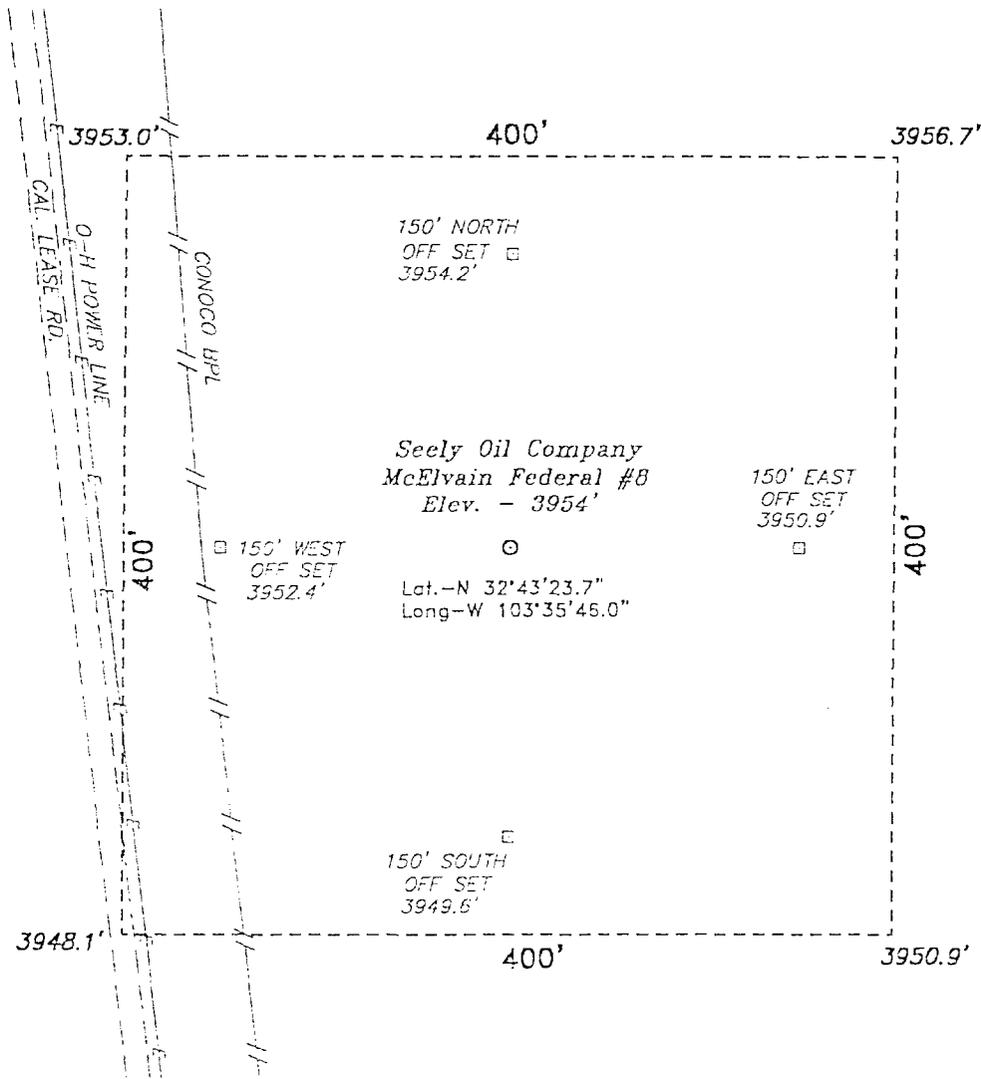


EXHIBIT 'A'
 SEELY OIL CO.
 McElvain Federal , Well No. 8
 990' FNL & 1550' FEL, Sec. 30-T18S-R34E
 Existing Access Roads: **—**
 Proposed Access Road: **—**



EXHIBIT "C"
 SEELY OIL CO.
 McElvain Federal, Well No. 8
 990' FNL & 1550' FEL, Sec. 30-T18S-R34E
 Existing Wells

SECTION 30, TOWNSHIP 18 SOUTH, RANGE 34 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF STATE HWY 529 AND CO. RD. 125, 30 SOUTH ON LEASE ROAD APPROX. 2.5 MILES TO A POINT ON THE SOUTHWEST CORNER OF THE PROPOSED WELL LOCATION.

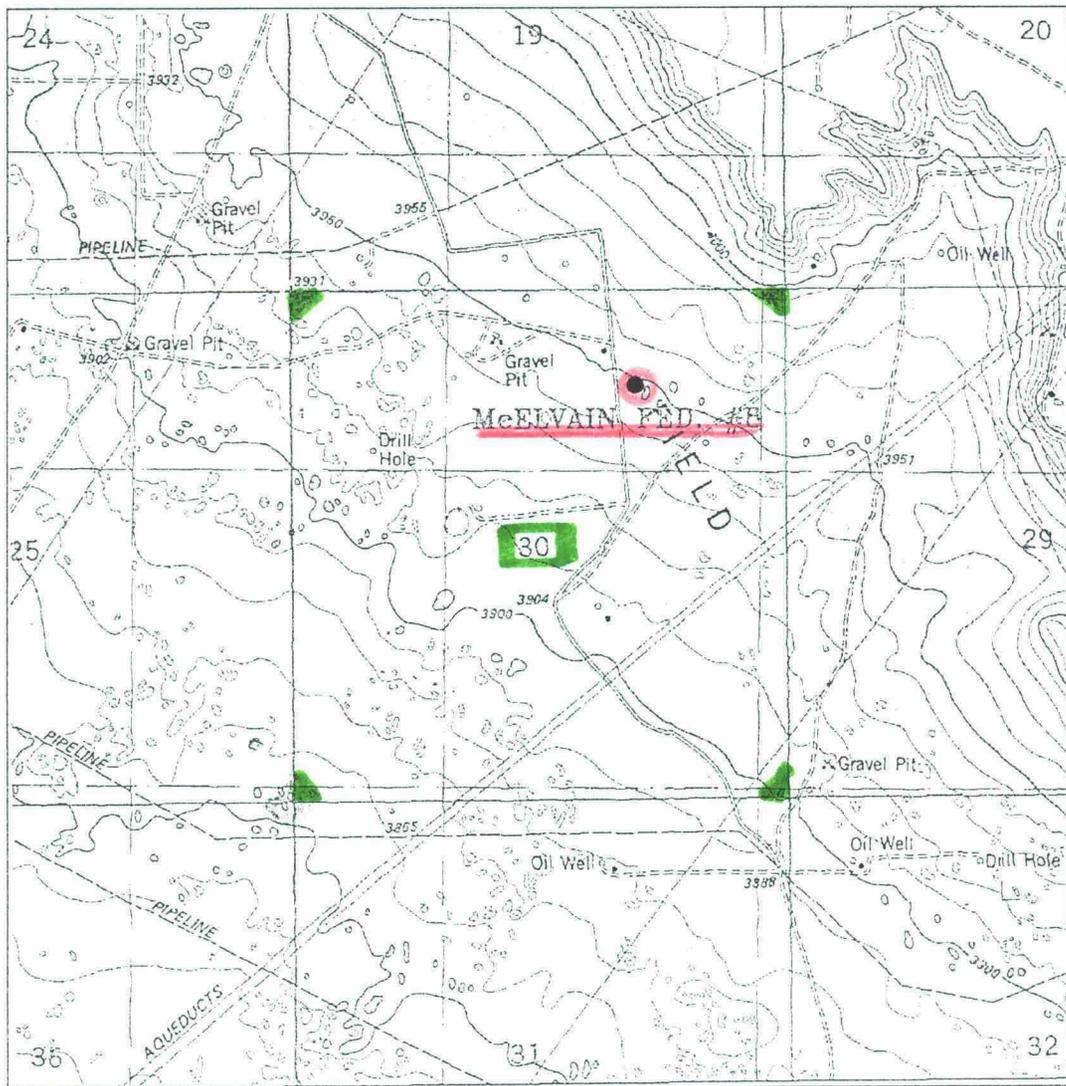
Seely Oil Company
REF: McElvain Fed. No. 8 / Well Pod Topo
THE McELVAIN FEDERAL No. 8 LOCATED 990' FROM THE NORTH LINE AND 1550' FROM THE EAST LINE OF SECTION 30, TOWNSHIP 18 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 0728 Drawn By: K. GOAD

Date: 01-02-2001 Disk: KJG C0#3 - 0728A.DWG

Survey Date: 12-28-2000 Sheet 1 of 1 Sheets



McELVAIN FEDERAL #8
 Located at 990' FNL and 1550' FEL
 Section 30, Township 18 South, Range 34 East,
 N.M.P.M., Lea County, New Mexico.



P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: 0728AA - KJG #122

Survey Date: 12-26-2000

Scale: 1" = 2000'

Date: 01-03-2001

SEELY OIL CO.

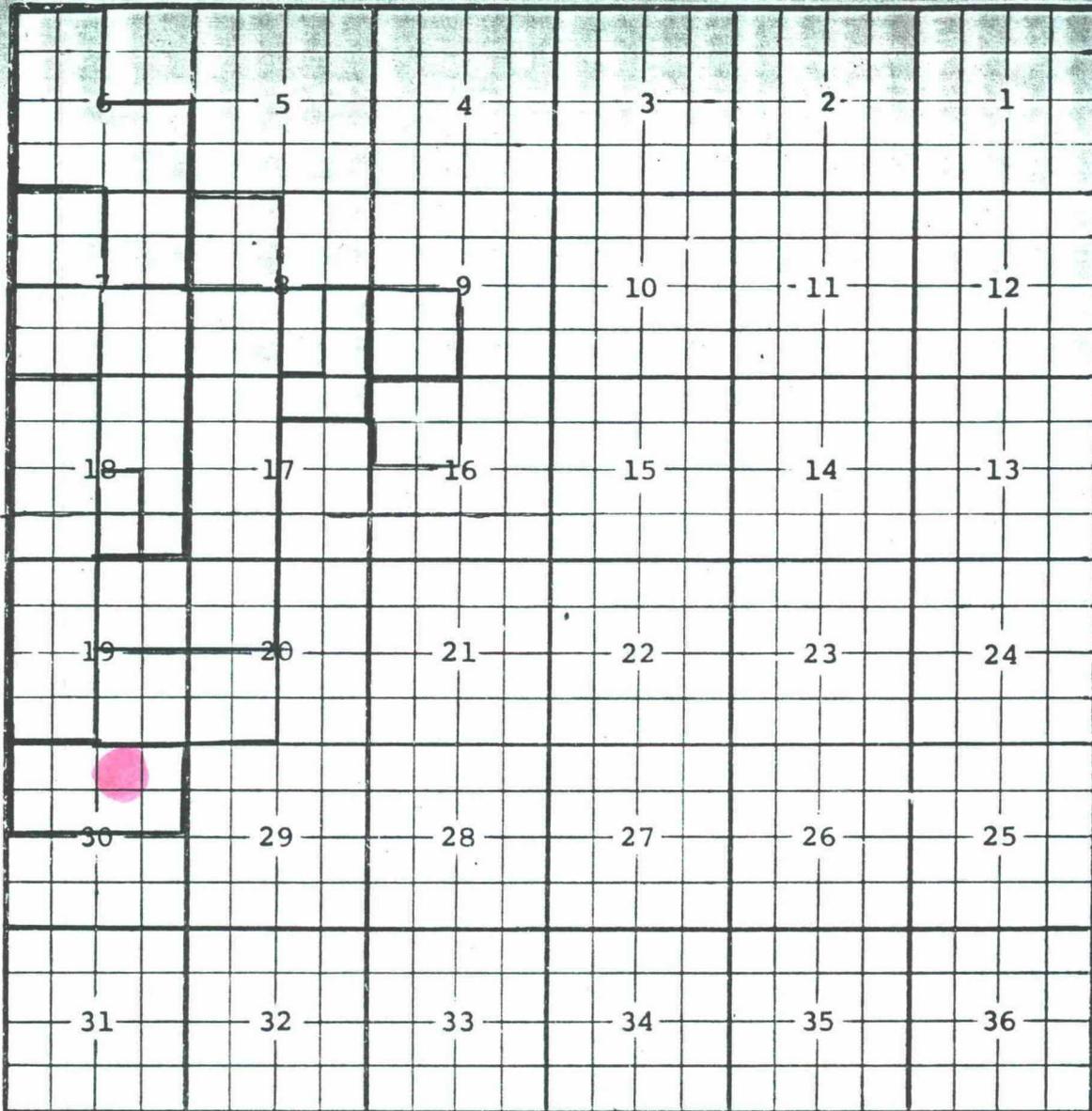
COUNTY Lea

POOL EK Yates - Seven Rivers - Queen

TOWNSHIP 18 South

RANGE 34 East

NMPM



Ext: $\frac{W}{2}$ Sec. 18; $\frac{W}{2}$ Sec. 19 (R-631, 5-12-55) - $\frac{SW}{4}$ Sec. 7 (R-675, 8-17-55)

- $\frac{W}{2}$ $\frac{SE}{4}$ Sec. 18 (R-713, 11-10-55) - $\frac{SE}{4}$ Sec. 7; $\frac{NE}{4}$ $\frac{E}{2}$ $\frac{SE}{4}$ Sec. 18; $\frac{N}{2}$ Sec. 30 (R-738, 1-12-56)

- $\frac{SW}{4}$ Sec. 8; $\frac{W}{2}$ Sec. 17; $\frac{NE}{4}$ Sec. 19; $\frac{NW}{4}$ Sec. 20 (R-842, 7-9-56) - $\frac{W}{2}$ $\frac{SE}{4}$ Sec. 8 (R-982, 4-23-57)

- $\frac{E}{2}$ $\frac{SE}{4}$ Sec. 8; $\frac{N}{2}$ $\frac{NE}{4}$ Sec. 17 (R-1008, 5-29-57) - $\frac{W}{2}$ $\frac{SE}{4}$ Sec. 6; $\frac{NE}{4}$ Sec. 7 (R-2469, 5-1-63)

- $\frac{NW}{4}$ Sec. 7 (R-2527, 8-1-63) - Vertical limits extended to include Yates &

Seven Rivers formations - Name changed (R-2620, 1-1-64)

Ext: $\frac{NW}{4}$ Sec 8 (R-4646, 11-1-73), Ext: $\frac{NW}{4}$ Sec 16 (R-4743, 4-1-74)

Ext: $\frac{SW}{4}$ sec 9 (R-7009, 6-19-82)

Ext: $\frac{SE}{4}$ Sec. 19, $\frac{SW}{4}$ Sec. 20 (A-4014, 8-21-70)

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

03/28/01 09:23:22
OGOMES -TQI3
PAGE NO: 1

Sec : 30 Twp : 18S Rng : 34E Section Type : NORMAL

1 37.53 Federal owned A	C 40.00 Federal owned A	B 40.00 Federal owned A	A 40.00 Federal owned A
2 37.63 Federal owned A	F 40.00 Federal owned A	G 40.00 Federal owned	H 40.00 Federal owned

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

03/28/01 09:23:29
OGOMES -TQI3
PAGE NO: 2

Sec : 30 Twp : 18S Rng : 34E Section Type : NORMAL

3 37.73 Federal owned	K 40.00 Federal owned A	J 40.00 Federal owned A	I 40.00 Federal owned
4 37.83 Federal owned A	N 40.00 Federal owned A	O 40.00 Federal owned	P 40.00 Federal owned

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

CMD : ONGARD 03/28/01 09:24:23
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQI3

API Well No : 30 25 2373 Eff Date : 02-01-1999 WC Status : A
Pool Idn : 19950 E-K;YATES-SEVEN RIVERS-QUEEN
OGRID Idn : 20497 SEELY OIL CO
Prop Idn : 24612 MCELVAIN FEDERAL

Well No : 002
GL Elevation: 99999

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: B	30	18S	34E	FTG 660 F N	FTG 1980 F E	A

Lot Identifier:

Dedicated Acre: 40.00

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

March 28, 2001

Seely Oil Company
815 West Tenth Street
Fort Worth, Texas 76102

Attention: C. W. Stumhoffer

Re: Administrative application for an exception to Division Rule 104.B(1), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, to drill the proposed McElvain Federal Well No. 8 at an unorthodox oil well location 990 feet from the North line and 1550 feet from the East line (Unit B) of Section 30, Township 18 South, Range 34 East, NMPM, Undesignated EK-Delaware Pool, Eddy County, New Mexico.

Dear Mr. Stumhoffer:

It appears that your application is incomplete. In the second paragraph you stated that "it is also geologically important that this well be drilled on the east side of this proration unit". Please be more specific why this is important and provide data to support your reasons.

This information should serve to complete this application. To help shorten the time in issuing an order in this matter you may fax your response to (505) 476-3471. Thank you.

Sincerely,

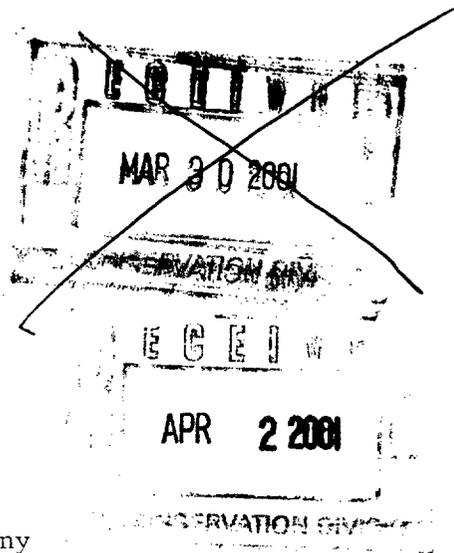
Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs

SEELY OIL COMPANY
815 WEST TENTH STREET
FORT WORTH, TEXAS 76102

March 31, 2001

New Mexico Energy, Minerals and Natural
Resources Department
Oil Conservation Division
1220 South St. Francis Street
Santa Fe, New Mexico 87504



Re: Seely Oil Company
Non-Standard Location
McElvain Federal #8
990' FNL and 1550' FEL
Section 30, T18S, R34E, NMPM
Lea County, New Mexico

Attention: Mr. Michael Stogner

Gentlemen:

This letter is in response to your request for geological information and/or data to support Seely Oil Company's (SOC) application for approval of its proposed McElvain Federal #8 at a non-standard location on the east side of the NW/4 of the NE/4 Section 30, T18S, R34E, NMPM, Lea County, New Mexico. The original application was submitted on March 14, 2001.

SOC's McElvain "A" Federal #1 located 330' FNL and 590' FEL of said Section 30 (NE/4 NE/4) is completed in a Delaware sand at 5508'. Since completion during July, 2000, this well has produced 8,801 BO and 7392 MCFG as of March 1, 2001 with current production 40-45 BOPD and 60+ MCFGPD. This well is NE of the proposed SOC McElvain Federal #8.

To the SW of this proposed location, C. W. Trainer drilled his McElvain #1 during 1983 as a Bone Spring test in the SE/4 of the NW/4 of said Section 30. This Trainer well did not encounter the Delaware sand producing in SOC's McElvain "A" Federal #1 as well as no other productive zones and the well was plugged as a dry hole.

A SW-NE cross-section from C. W. Trainer's McElvain #1 to SOC's McElvain "A" Federal #1 is attached herewith. The proposed SOC McElvain Federal #8 location is between these two wells.

Please advise if this data meets with your approval. Thank you for your attention to this matter.

Very truly yours,

SEELY OIL COMPANY
C. W. Stumhoffer
C. W. Stumhoffer

CWS

cc: New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division, Hobbs, NM Attn: Marie Peterson

Densilog[®] Neutron Gamma Ray

COMPANIED BY **DRIVER**

FILE NO. _____

COMPANY C. W. TRIAGE

WELL McElvain #1

FIELD Wildcat

COUNTY Lea STATE New Mexico

SECTION 30 TOWNSHIP 18S RANGE 34E

APR 30 2006 F.W.L. 2003 F.W.L.

Log Measured From GL To 2398 Log 1320.5

Depth Measured From ATB To 12.3:11 Above Permeable Datum Log 2387

Time	1-21-03
Run No.	016
Depth - Depth	0000
Depth - Depth	1000
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Depth - Depth	99000
Depth - Depth	100000

ATTACHMENT TO
NON-STANDARD LOCATION
APPLICATION

PROPOSED DELAWARE TEST
990' FNL AND 1550' FEL
NW/4 NE/4
SECTION 30, T18S, R30E, N1PM
LEA COUNTY, NEW MEXICO

COMPANY: Seely Oil Company

WELL: McElvain Federal 'A' #1

FIELD: E.K. Yates Seven Rivers Queen

COUNTY: Lea STATE: New Mexico

PLATFORM EXPRESS
Schlumberger Three Detector Litho-Density Compensated Neutron

Section 30 Township 18S Range 34E

APR 30 2006 F.W.L. 2003 F.W.L.

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APR 30 2006 F.W.L. 2003 F.W.L.

Log Measured From GL To 2398 Log 1320.5

Depth Measured From ATB To 12.3:11 Above Permeable Datum Log 2387

SW-NE CROSS SECTION

PROPOSED
MCELVAIN FEDERAL NO. 8

