

DATE IN 7/3/02	SUSPENSE 7/23/02	ENGINEER MS	LOGGED IN MW	TYPE NSL	APP NO. 218447293
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Fracture Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ 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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce

Print or Type Name

Signature

Attorney for Applicant

Title

Date

JAMES BRUCE
 P.O. BOX 1056
 SANTA FE, NM 87504

jamesbruce@aol.com
 e-mail Address

7/3/02

JAMES BRUCE
ATTORNEY AT LAW

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SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

July 3, 2002

Hand Delivered

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Amendment of Administrative Order NSL-4415

Dear Mr. Stogner:

Pursuant to Division Rule 104.F.(2), Nadel and Gussman Permian, L.L.C. ("NGP") applies for administrative approval of an unorthodox location for the following well:

Mia Michelle State Well No. 1
457 feet FNL & 1200 feet FEL
Section 32, Township 15 South, Range 30 East, NMPM
Chaves County, New Mexico

The well will be drilled to test the Devonian formation (Undesignated Little Lucky Lake-Devonian Pool), which is developed on statewide rules. A Form C-101 for the well is attached as Exhibit A. The well unit for the Devonian formation will be the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 32.

The location is based on geologic reasons. Attached as Exhibit B is a structure map of the area. NGP has re-analyzed its data, and expects the proposed location to be the most favorable structural position for a Devonian test.

In addition, the Morrow formation is a secondary zone, and NGP requests unorthodox location approval in the Morrow. The Morrow formation is spaced on statewide rules, so the well is too close to the quarter section line.

Attached as Exhibit C is a land plat of the area. The E $\frac{1}{2}$ of Section 32 is covered by State Lease V-3756, which has common ownership. Therefore, as to the Devonian formation the well only

Heigh
this is not the
APE No. for this
location well.

RECEIVED
JUL 10 2002
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

~~32-105-2161~~

moves toward an interior boundary of the lease. Thus, there is no adverse effect on anyone due to the unorthodox oil well location.

As to the Morrow formation, NGP is the sole lessee of the NE¼ and S¼ of offsetting Section 29. Therefore, notice of this application was not given to anyone as to the Morrow formation.

Please call me if you need anything further regarding this matter.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce". The signature is written in dark ink and is positioned above the printed name.

James Bruce

Attorney for Nadel and
Gussman Permian, L.L.C.

EXHIBIT "A"**DISTRICT I**

5000 N. French St., Hobbs, NM 88240

DISTRICT II

611 South Blvd., Artesia, NM 88210

DISTRICT III

1000 Elm Terrace Rd., Aztec, NM 87410

DISTRICT IV

8540 South Pecos, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pecos

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Well Code 39230	Pool Name LITTLE LUCKY LAKE DEVONIAN
Property Code	Property Name MIA MICHELLE STATE	Well Number 1
OCRD No. 155615	Operator Name NADEL AND GUSSMAN PERMIAN, L.L.C.	Stratification 3963'

Surface Location

UL or Lot No.	Section	Township	Range	Lot (in)	Feet from the	North/South Line	Feet from the	East/West Line	County
A	32	15 S	30 E		467	NORTH	1200	EAST	CHAVEZ

Bottom Hole Location if Different From Surface

UL or Lot No.	Section	Township	Range	Lot (in)	Feet from the	North/South Line	Feet from the	East/West Line	County
Dedicated Acres: <u>E 320</u> Joint or Leased: _____ Conveyance 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 that the information contained herein is true and complete to the best of my knowledge and belief. <u>Kenn E. McCready</u> Signature Kenn E. McCready Printed Name Operations Engineer Title <u>7/2/02</u> 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. <u>July 1, 2002</u> Date Surveyed <u>James L. Jones</u> Signature Professional No. 2594 Certified Professional Land Surveyor State of New Mexico
	LAT = N 32°56'41.6" LONG = W 103°56'31.5"
	39230 39230 39230 39230

Nadel & Gussman Permian, L.L.C.

T15S-R30E, Chaves County NM

Miss Depth

Calculated by Isopach

from the Abo

CI = 25'

Abol.grd - Abo_Miss_Facts.grd =
Miss_depth.grd
with it
size 10000000

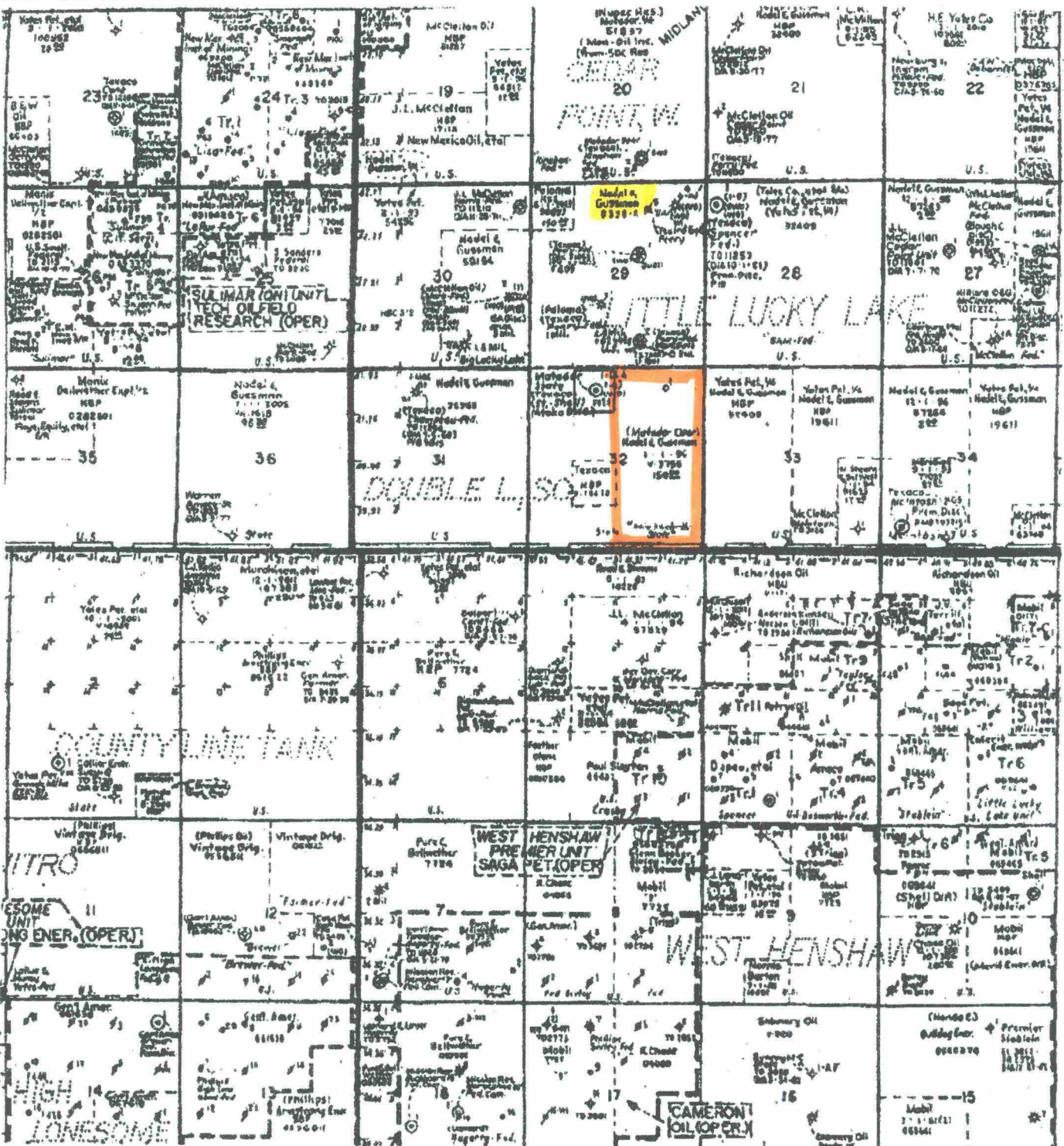


EXHIBIT "C"

NADEL AND GUSSMAN PERMIAN, LLC

DOUBLE LL PROSPECT
MIA MICHELLE # 1

T15S-R30E

CHAVES CO, NM

SHG

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION07/05/02 11:08:07
OGOMES -TPMS
PAGE NO: 1

Sec : 32 Twp : 15S Rng : 30E Section Type : NORMAL

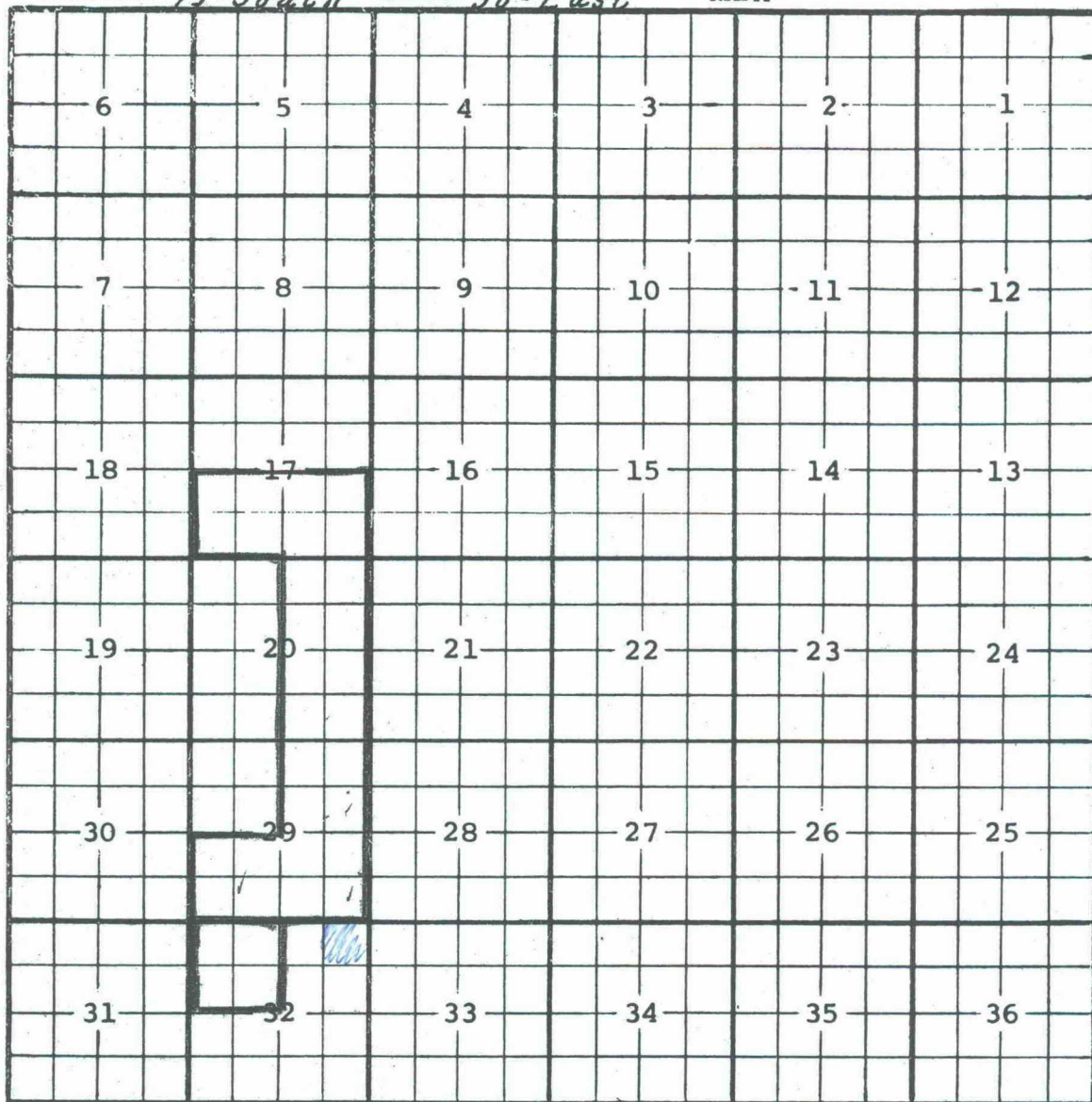
D	C	B	A
40.00 CS V03756 0001 NADEL AND GUSSMAN 07/01/96	40.00 CS V03756 0001 NADEL AND GUSSMAN 07/01/96	40.00 CS V03756 0001 NADEL AND GUSSMAN 07/01/96	40.00 CS V03756 0001 NADEL AND GUSSMAN 07/01/96
E	F	G	H
40.00 CS V03756 0001 NADEL AND GUSSMAN 07/01/96	40.00 CS V03756 0001 NADEL AND GUSSMAN 07/01/96	40.00 CS V03756 0001 NADEL AND GUSSMAN 07/01/96	40.00 CS V03756 0001 NADEL AND GUSSMAN 07/01/96

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

COUNTY Chaves POOL Little Lucky Lake-Devonian

TOWNSHIP 15-South RANGE 30-East NMPM

39230

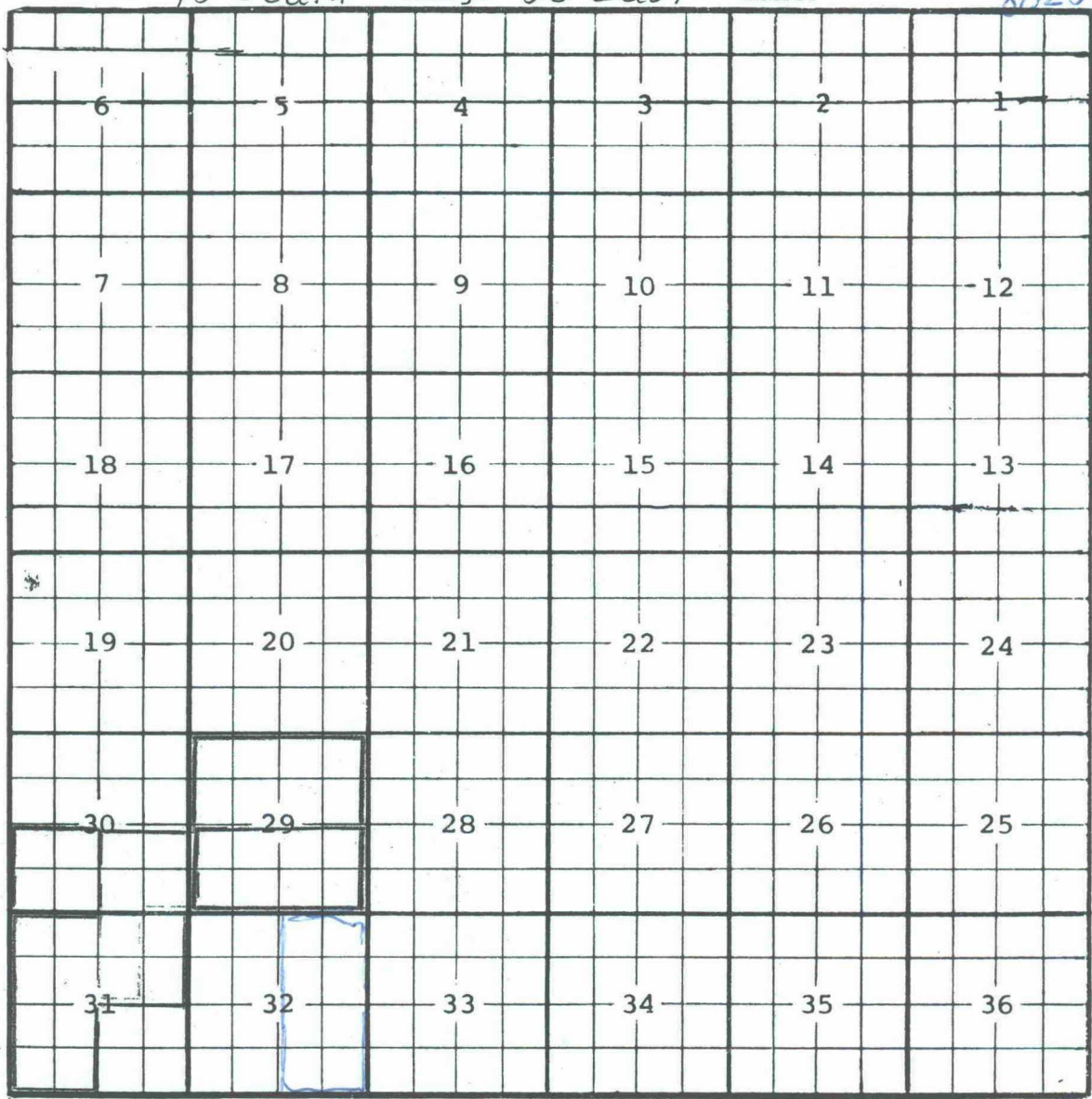


Description: $\frac{NE}{4}$ Sec. 29, (R-1312, 1-1-59). - $\frac{SE}{4}$ Sec. 29, (R-1488, 10-1-59). - $\frac{SW}{4}$ Sec. 29, (R-1532, 12-1-59). - $\frac{S}{2}$ Sec. 17; $\frac{E}{2}$ Sec. 20, (R-1797, 11-1-60). Ext: $\frac{NW}{4}$ Sec. 32 (R-10419, 7-17-95)

County Chaves Pool Little Lucky Lake-Morrow Gas

TOWNSHIP 15 South Range 30 East NMPM

80285



Description: $\frac{5}{2}$ Sec. 29 (R-7912, 5-13-85)
Ext: $\frac{SE}{4}$ Sec. 30, $\frac{W}{2}$ and $\frac{NE}{4}$ Sec. 31 (R-8041, 10-3-85)
Ext: $\frac{N}{2}$ Sec. 29 (R-8149, 2-14-86) Ext: $\frac{SW}{4}$ Sec. 30 (R-8461, 6-25-87)

CMD : ONGARD 07/05/02 11:18:05
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPMS

OGRID Idn : 155615 API Well No: 30 5 21161 APD Status(A/C/P) : C
Opr Name, Addr: NADEL AND GUSSMAN PERMIAN, LLC Aprvl/Cncl Date : 06-11-2002
3200 1ST NATIONAL TOWER
TULSA,OK 74103

Prop Idn: 25895 MIA MICHELLE STATE Well No: 1

U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface	Locn	: A	32	15S	30E	FTG 572 F N	FTG 1189 F E
OCD	U/L	: A	API County : 5				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C) : O Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I) : S Ground Level Elevation : 3963

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 11450 Prpsd Frmtn : DEVONIAN

E6927: Well is cancelled
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

CMD : ONGARD 07/05/02 11:20:32
 OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPMS

OGRID Idn : 155615 API Well No: 30 5 63248 APD Status(A/C/P): C
 Opr Name, Addr: NADEL AND GUSSMAN PERMIAN, LLC Aprvl/Cncl Date : 06-02-2000
 3200 1ST NATIONAL TOWER
 TULSA,OK 74103

Prop Idn: 25895 MIA MICHELLE STATE Well No: 1

U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: A	32	15S	30E		FTG 999 F N	FTG 999 F E
OCD U/L	: A	API County : 5					

Work typ(N/E/D/P/A) : N Well typ(O/G/W/I/S/W/C): O Cable/Rotary (C/R) : R
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PF01 HELP	PF02	PF03 EXIT	PF04 GOTO	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12