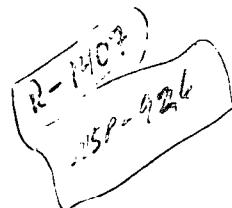


October 1, 1986

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501



Attn: Mr. Mike Stogner

Re: Application for a Non-Standard Proration Unit Blinebry Gas Well
Located Unit R, Section 4, Township 21S, Range 37E
Lea County, New Mexico
Summit Energy, Inc., Gulf Hill No. 1

Dear Mr. Stogner:

Summit Energy, Inc., respectfully requests administrative approval for the reduction of acreage from 80 acres to 40 acres and approval of the non-standard proration unit for the subject well.

The non-standard Blinebry Gas Well Unit will comply with the following provisions:

- (a) The non-standard unit consists of quarter-quarter sections or lots that are contiguous by a common bordering side.
- (b) The non-standard unit lies wholly within a single governmental quarter section if the well is completed in a pool or formation for which 160 acres is the standard unit size or wholly within a single governmental half section if the well is completed in a pool or formation for which 320 acres is the standard unit size.
- (c) Offset operators have been notified by registered mail and furnished copies of this application.

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October 1, 1986

Please notify Summit Energy, Inc., Attn: Paul G. White, 116 North First,
Artesia, New Mexico, 88210, if additional information is necessary.

Best regards,



Paul G. White
Consulting Engineer

cc: By Registered Mail

Offset Operators:

Amoco, P. O. Box 68, Hobbs, New Mexico 88240

Shell Western, Box 1509, Midland, TX 79702

Conoco, Inc., Box 460, Hobbs, New Mexico 88240

Antweil, Hobbs Pipe & Supply, Box 2010, Hobbs, New Mexico 88240

Blanco Engineering, Inc., 116 North First, Artesia, New Mexico 88210

cc: New Mexico Oil Conservation Commission

P. O. Box 1980

Hobbs, New Mexico 88240

All distances must be from the outer boundaries of the Section.

Operator			Lease	Well No.	
Summit Energy, Inc.			Gulf Hill	1	
Unit Letter	Section	Township	Range	County	
R	4	21S	37E	Lea	

Actual Footage Location of Well:

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
3471	Blinebry	Blinebry Oil and Gas	40 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, forced-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 Division.

UNIT	UNIT	UNIT	UNIT	CERTIFICATION	
L	K	J	I	<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Paul Shute</i></p> <p>Name</p> <p>Consulting Engineer</p>	
UNIT	UNIT	UNIT	UNIT	<p>Position</p> <p>Summit Energy, Inc.</p>	
M	N	O	P	<p>Company</p> <p>October 1, 1986</p>	
<p>(LONG SECTION)</p>				<p>Date</p> <p>I hereby certify that the well location shown on this plot 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.</p>	
				<p>Date Surveyed</p> <p>Registered Professional Engineer and/or Land Surveyor</p>	
				<p>Certificate No.</p>	

0 330 660 900 1230 1560 1890 2220 2550 2880 2000 1500 1000 500 0

All distances must be from the outer boundaries of the Section.

Operator			Lease	Well No.	
Summit Energy, Inc.			Gulf Hill	1	
Unit Letter	Section	Township	Range	County	
R	4	27S	37E	Lea	

Actual Postage Location of Well:

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
3471	Blinebry	Blinebry Oil and Gas	40 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, forced-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 Division.

				CERTIFICATION	
UNIT L	UNIT K	UNIT J	UNIT I	<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Barry Shuhite</i> Name Consulting Engineer</p> <p>Position Summit Energy, Inc.</p> <p>Company October 1, 1986</p> <p>Date</p>	
UNIT M	UNIT N	UNIT O	UNIT 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 knowledge and belief.</p> <p>Date Surveyed Registered Professional Engineer and/or Land Surveyor Certificate No.</p>	
<p>(LONG SECTION)</p>					
<p>0 330 660 60 1320 1650 1980 2310 2640 2000 1500 1000 500 0</p>					

All distances must be from the outer boundaries of the Section.

Operator Summit Energy, Inc.		Lease Gulf Hill		Well No. 1
Unit Letter R	Section 4	Township 21S	Range 37E	County Lea

Actual Postage Location of Well:

Ground Level Elev. 3471	Producing Formation Blinebry	Pool Blinebry Oil and Gas	Line Dedicated Acreage: 40
1980 feet from the South	1980 feet from the East	Line	Acre

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, forced-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 Division.

				CERTIFICATION
UNIT L	UNIT K	UNIT J	UNIT I	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Paul Schubert</i> Name Consulting Engineer
UNIT M	UNIT N	UNIT O	UNIT P	Position Summit Energy, Inc.
 (LONG SECTION)				Company October 1, 1986 Date
				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
				Registered Professional Engineer and/or Land Surveyor
				Certificate No.





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

TONEY ANAYA
GOVERNOR

October 8, 1986

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

OCT - 9 1986

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC _____
NSL _____
NSP X
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Summit Energy Inc. Gulf Hill #1-R Sec 4, T21S, R37E
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK -- Jerry Sexton

Yours very truly,

Jerry Sexton

Jerry Sexton
Supervisor, District 1

/mc

NSP- 926



SUMMIT ENERGY, INC.

PAUL G. WHITE
Vice President - Production

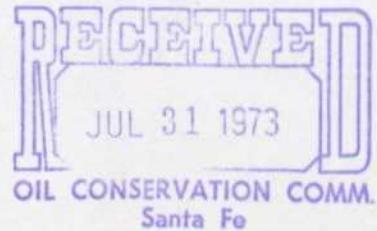
112 NORTH FIRST STREET

ARTESIA, NEW MEXICO 88210

TELEPHONE
746-9807 AC 505

July 30, 1973

104 D II



Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application of Summit Energy, Inc.
Administrative Approval of a
Non-standard 80-acre Gas Proration Unit
Blinebry Gas Pool
Lea County, New Mexico

Gentlemen:

Summit Energy, Inc., respectfully requests administrative approval of an 80 acre non-standard Blinebry Gas proration unit, covering Unit R (40 acres) and Unit S (40 acres) in Section 4-T21S-R37E, Lea County, New Mexico.

The 80 acre unit will be dedicated to the Gulf No. 1 well located in Unit R of Section 4-T21S-R37E, Lea County, New Mexico. The Gulf Hill No. 4 Blinebry Zone will be shut-in.

This application is a result of the reclassification by the NMOCC of the Gulf Hill No. 1 (Unit R) and the Gulf Hill No. 4 Blinebry Zone (Unit S) from oil wells to gas wells by virtue of gas-oil ratio limitations.

In support of this application the following facts are submitted:

- (1) Applicants Gulf Hill No. 1 well located Unit R, Section 4-T21S-R37E, Lea County, New Mexico and applicants Gulf Hill No. 4 Blinebry Zone located Unit S, Section

SUMMIT ENERGY, INC.

Oil Conservation Commission
July 30, 1973
Page 2

4-T21S-R37E, Lea County, New Mexico will be reclassified from oil wells to gas wells effective September 1, 1973, by order of the NMGCC. Copy of letter attached.

- (2) The subject wells are each located on 40 acre tracts and produce from the Blinebry Zone.
- (3) The proposed 80 acre non-standard consists of contiguous quarter-quarter sections.
- (4) The non-standard gas proration unit will be wholly within a single governmental (long) section.
- (5) The entire non-standard gas proration unit is productive in the Blinebry Gas Pool.
- (6) All operators owning interests outside the non-standard gas proration unit, but in the same section in which the non-standard gas proration unit is situated have been furnished a copy of this application.
- (7) All operators owning interests in acreage offsetting the non-standard proration unit have also been furnished a copy of this application.
- (8) The Gulf Hill No. 1 well will produce the 80 acre non-standard gas proration unit allowable and the Gulf Hill No. 4 Blinebry Zone will be shut-in. The Gulf Hill No. 1 gas will be measured through a separate meter run.

Your further handling and approval of this application will be sincerely appreciated.

Respectfully submitted,

Paul G. White
SUMMIT ENERGY, INC.
Paul G. White
Vice President-Production

PGW/gs

SUMMIT ENERGY, INC.

Oil Conservation Commission
July 30, 1973
Page 3

Copies to:

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Continental Oil Co.
P. O. Box 460
Hobbs, New Mexico 88240

Shell Oil Co.
P. O. Box 1509
Midland, Texas 79701

Texaco, Inc.
P. O. Box 728
Hobbs, New Mexico 88240

Amoco Production Co.
P. O. Box 68
Hobbs, New Mexico 88240

Summit Energy, Inc.
1925 Mercantile Dallas Building
Dallas, Texas 75201

