

Release September 30, 1985

By Dec

# T. H. McELVAIN OIL & GAS PROPERTIES

T. H. McELVAIN, JR., MANAGER

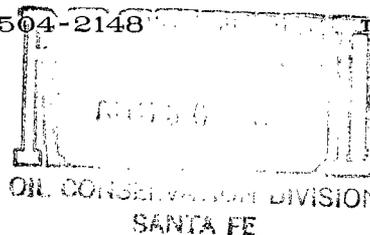
220 SHELBY STREET

P. O. Box 2148

SANTA FE, NEW MEXICO 87504-2148

TELEPHONE 982-1985  
AREA CODE 505

CATHERINE B. McELVAIN  
CATHERINE M. HARVEY  
T. H. McELVAIN, JR.



August 28, 1985

Mr. Richard L. Stamets, Director  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

*Atoka Formation*

*NSP-(K)-1470  
RUE-104F(E)  
104D(E)*

Re: Application by T. H. McElvain Oil & Gas Properties for approval of a Non-standard proration unit and an unorthodox gas well location in the Atoka formation under New Mexico State Oil & Gas Lease #V-1520

Dear Mr. Stamets:

T. H. McElvain Oil & Gas Properties, hereinafter referred to as "McElvain", as operator of State of New Mexico Oil & Gas Lease No. V-1520, dated July 1, 1985, proposes to re-enter the Humble Oil and Refining Company's New Mexico State "AG" #1 well located on said lease 1980' FNL and 660' FEE of Section 22, T-17S, R-35E, Lea County, New Mexico to attempt to re-complete in the Atoka formation (See Exhibit A). The subject well was drilled at an orthodox location in 1953 to a depth of 13,871' in the Devonian formation and the well records indicate that the original proration unit included only the 240 acres that are included in the subject state lease No. V-1520 (See Exhibits B and C). McElvain has reviewed the logs and well records of this well and found that the Atoka formation from 11,990' to 12,010' contains significant hydrocarbon potential (See Exhibits D thru G). It is apparent that this zone suffered extensive formation damage between the DST and the completion although it did flow at close to commercial quantities of hydrocarbons by today's economics. McElvain feels that the technology now exists to "treat past" this formation damage and develop a commercial Atoka well. In late 1984, HNG Oil completed a small Atoka well in 5' of pay sand three quarters of a mile North in the NW/4SW/4 Sec. 14, T-17S, R-35E.

Considering these facts, McElvain hereby applies for administrative approval of a non-standard proration unit under Rule 104, D, II, consisting of the NE/4, E/2NW/4 of Sec. 22, T-17S, R-35E, Lea County, New Mexico, containing 240 acres, more or less and being 100% of the acreage included in State of New Mexico Oil & Gas Lease #V-1520, dated July 1, 1985. McElvain also applies for administrative approval of an

R. L. Stamets/OCD page 2

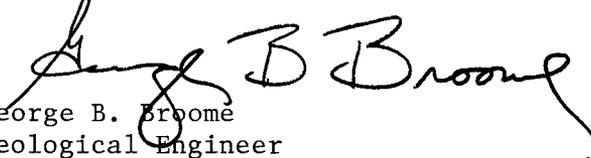
unorthodox well location under Rule 104, F, I, for a North half Atoka unit at 1980' FNL and 660' FEL of Section 22, T-17S, R-35E, Lea Co., New Mexico in order to allow us to re-enter the existing Humble dry hole at that location and attempt a re-completion in the Atoka formation.

McElvain has this day served notice of this application by certified mail on all offset operators at the addresses shown on the attached list which is complete to the best of applicant's knowledge (Exhibit H).

It is the opinion of McElvain that approval of this application will prevent waste and protect correlative rights.

Respectfully submitted,

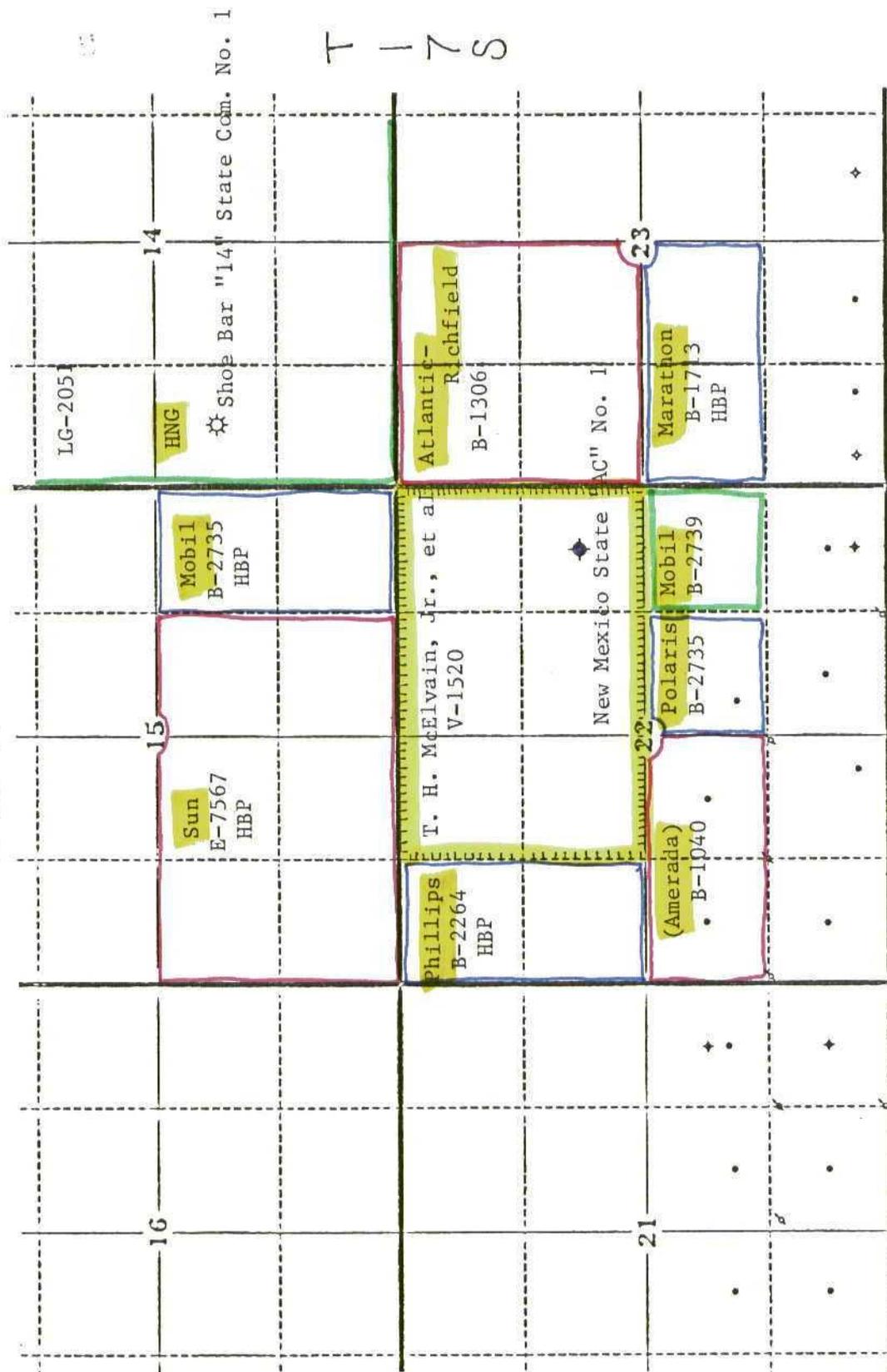
T. H. McElvain Oil & Gas Properties

A handwritten signature in cursive script that reads "George B. Broome". The signature is written in dark ink and is positioned above the printed name and title.

George B. Broome  
Geological Engineer

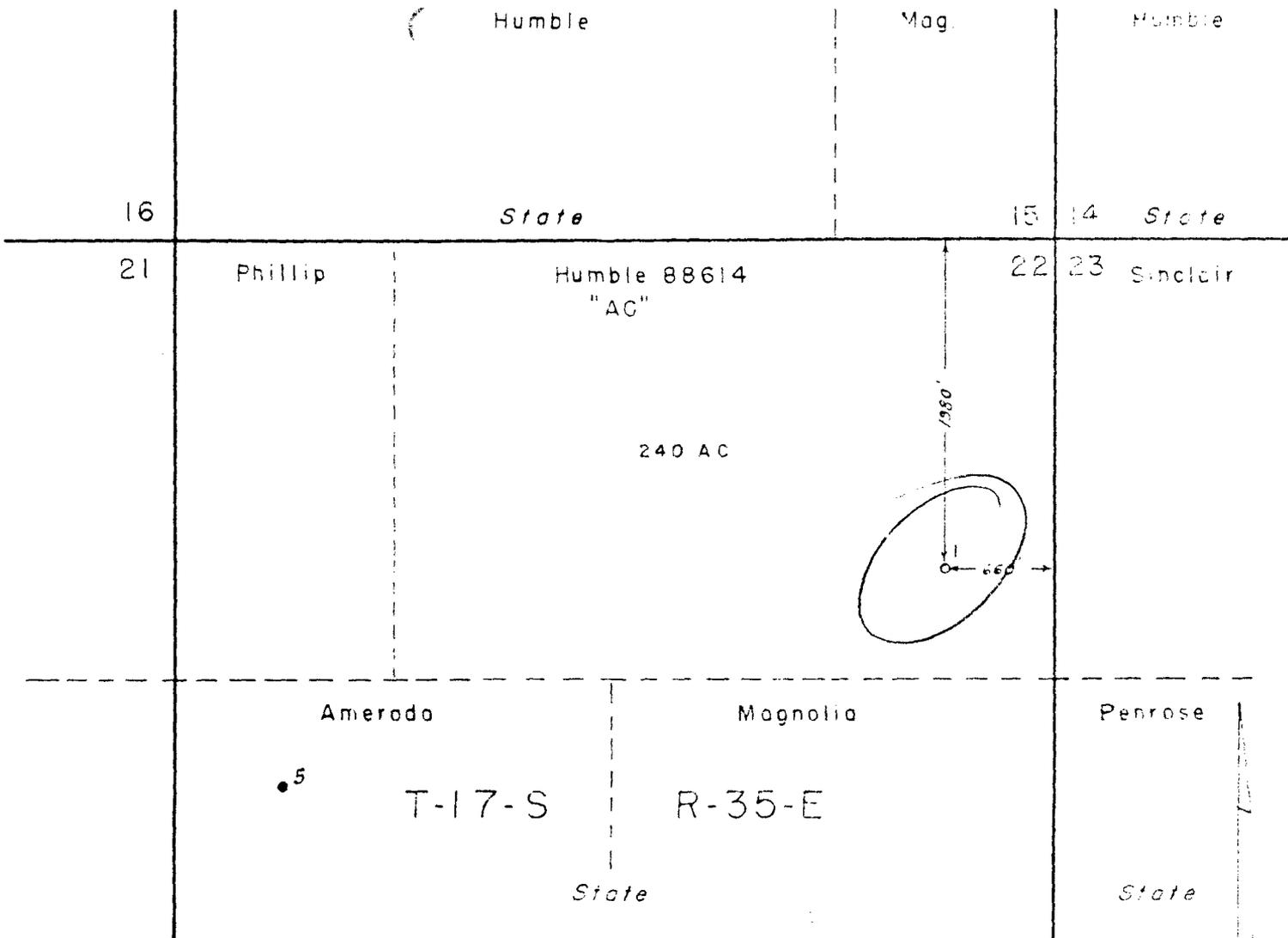
GBB/thh

R-35-E



T. H. McElvain Oil and Gas Properties  
 P.O. Box 2148  
 Santa Fe, New Mexico 87504-2148  
 Application for 240 acres nonstandard  
 proration unit and unorthodox location.

Plat of New Mexico State Oil and Gas  
 Lease No. V-1520 and offsetting  
 operators, Lea Co., New Mexico.



- Legend
- Location
  - ◻ Location abandoned
  - Drilling
  - Dry & abandoned
  - Oil Well
  - Oil Well Abandoned
  - Gas Well
  - Gas Well Abandoned

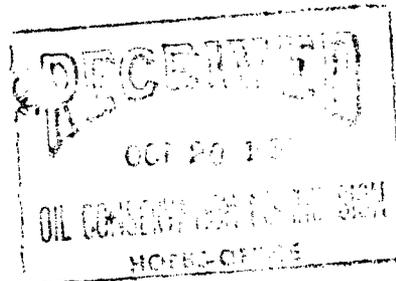
~~"LEASE DESIGNATION PLAT"~~



THIS APPLICATION FOR WELL /

NEW MEXICO STATE "AC" NO. 88614 SEC. 22, T17S R35E, LEA CO., NEW MEXICO		
HUMBLE OIL & REFINING COMPANY CIVIL ENGINEERING DIVISION MIDLAND TEXAS		
DRAWN E. L. MCKIBBEN	SCALE 1" = 1000'	FILE NO.
CHECKED E. T. Shaban	DATE 12-8-52	

Drawn by *Thos. McKibben*  
 Checked by *E. T. Shaban*  
 Surveyed *4 Dec 52*  
 E. T. Shaban  
 Registered Professional Engineer  
 in the State of New Mexico



P. O. Box 2347  
Hobbs, New Mexico  
October 20, 1953

New Mexico Oil Conservation Commission  
Box 2045  
Hobbs, New Mexico

Gentlemen:

This is to certify that the following offset lease owners have been notified that our New Mexico State AC No. 1, North Vacuum Wildcat Pool, SE/4 of NE/4 of Sec. 22, T-17S, R-35E, Lea County, New Mexico will be plugged and abandoned on or about October 21, 1953:

Amerada Petroleum Corp., Box 312, Midland, Texas, N/2 of SW/4 of Sec. 22, T-17S, R-35E, Lea Co., New Mexico.

Magnolia Petroleum Co., Box 633, Midland, Texas, SE/4 of Sec. 22, T-17S, R-35E, Lea Co., New Mexico. E/2 of SE/4 of Sec. 15, T-17S, R-35E, Lea Co., New Mexico.

Phillips Petroleum Co., Permian Building, Midland, W/2 of NW/4 of Sec. 22, T-17S, R-35E, Lea Co., New Mexico.

Sinclair Oil & Gas Company, Box 1470, Midland, Texas, NW/4 of Sec. 23, T-17S, R-35E, Lea Co., New Mexico.

N. G. Penrose, Fair Building, Fort Worth, Texas, SW/4 of Sec. 23, T-17S, R-35E, Lea Co., New Mexico.

Yours Truly, 1953

HUMBLE OIL & REFINING CO.

*M. M. Rogers*  
M. M. ROGERS  
District Superintendent

I, M. M. Rogers, being first duly sworn on oath, state that I have knowledge of the facts and the matter herein set forth and that the same are true and correct.

Name M. M. Rogers Title District Superintendent

Subscribed and sworn to before me this 21st day of October, 1953

*Marda Colby*

Notary Public Lea County, New Mex

DATE	TYPE OF TEST	FORMATION TESTED		SIZE CHOKE		TOOL OPEN MINUTES	FORMATION PRESSURE		RECOVERY—FEET		WAS TEST SATISFACTORY	
		FROM	TO	TOP	BOTTOM		FLOATING SHUT-IN	OIL	WATER	MUD		OTHER
1-25-53	OH	4619	4650	1"	5/8"	75	180	950	73lb	100a	Yes	
2-1-53	OH	5216	5247	1"	1"	30	0	-	10	10	Yes	
2-7-53	OH	6257	6282	1"	5/8"	90	150	1320	229d	197c	Yes	
2-8-53	OH	6290	6320	1"	5/8"	80	317	2200	689f	229e	Yes	
2-13-53	OH	6985	7020	1"	5/8"	-	Pipe stuck above testing tool					Yes
2-16-53	OH	6949	7020	1"	1"	30	30	610		50	Yes	
2-23-53	OH	7863	7898	1"	5/8"	35	0	0		20	Yes	
3-17-53	OH	9570	9610	1"	1"	90	103	1000		590c	Yes	
3-24-53	OH	10000	10030	1"	1"	30	0	160		280	Yes	
5-3-53	OH	11978	12018	1"	5/8"	16	2970	0		1302 Packer Failed	Yes	
5-4-53	OH	11973	12018	1"	1/2"	90	2890	6310	10	Pkr. Unseated 13,000,000g	Yes	
6-28-53	OH	12443	12472	1"	1"	60	800	940		370	Yes	
7-1-53	OH	12495	12531	1"	5/8"	12	1485	0		1410h Packer Failed	Yes	
7-2-53	OH	12483	12545	1"	5/8"	50	1100	1645		180h	Yes	
7-27-53	OH	13095	13122	1"	5/8"	22	1425	1425		6000	Yes	
8-7-53	OH	13525	13563	1"	5/8"	20	1685	2990		110h	Yes	
8-9-53	OH	13565	13605	1"	5/8"	4	Packer Failed					Yes
8-10-53	OH	13569	13605	1"	5/8"	20	Packer Failed					Yes
8-11-53	OH	13525	13605	1"	5/8"	30	1290	3075		62	Yes	
8-16-53	OH	13602	13702	1"	5/8"	240	2930	5335		3185	Yes	
8-18-53	OH	13664	13752	1"	5/8"	180	2520	5255		1421	Yes	
8-23-53	OH	13751	13871	1"	5/8"	240	4020	5480		4550b	Yes	

EXHIBIT D

- a - Sulphur-gas cut
- b - Salty sulphur water
- c - Heavily oil and gas cut
- d - Gas and water
- e - Oil and gas cut
- f - Gas cut sulphur water
- g - Gas volume
- h - Heavily gas cut
- i - Gas cut water blanket

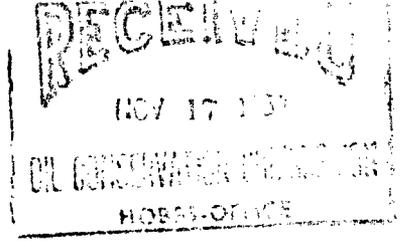
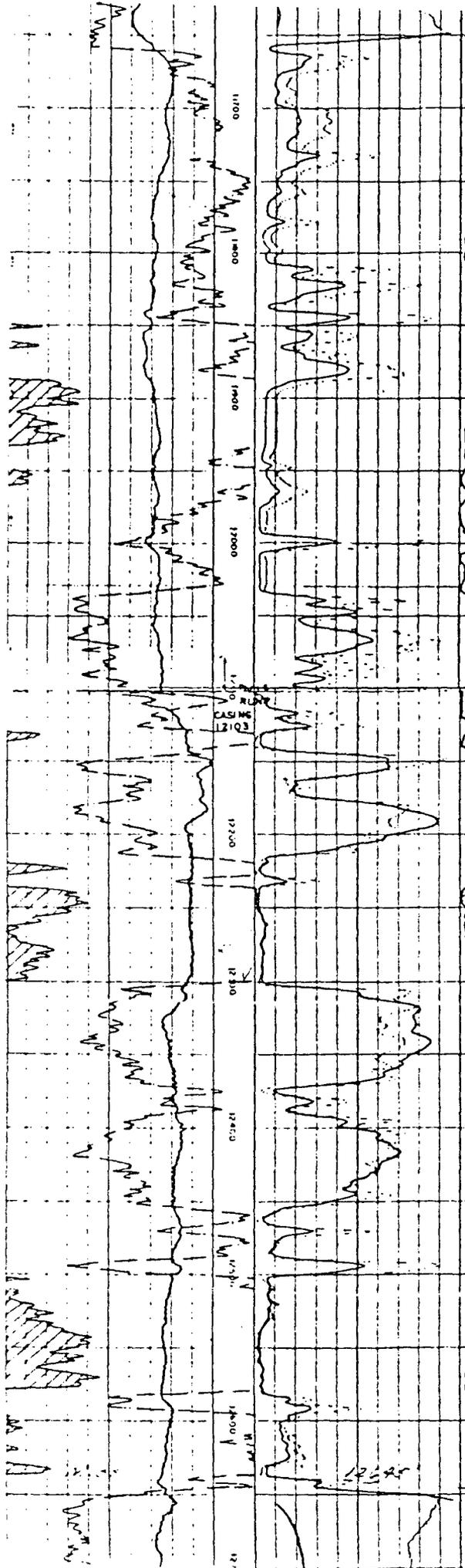


EXHIBIT E

Humble Oil & Refining Co.  
New Mexico State "AC" #1



DST #10  
Failed

DST #11  
Test @ 13,000,000 GA

ORIGINAL

EXHIBIT F

NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

MISCELLANEOUS NOTICES

RECEIVED  
SEP 14 1953  
OIL CONSERVATION COMMISSION  
HOBB'S OFFICE

Submit this notice in TRIPLICATE to the District Office, Oil Conservation Commission, before the work specified is to begin. A copy will be returned to the sender on which will be given the approval, with any modifications considered advisable, or the rejection by the Commission or agent, of the plan submitted. The plan as approved should be followed, and work should not begin until approval is obtained. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Notice by Checking Below

NOTICE OF INTENTION TO CHANGE PLANS		NOTICE OF INTENTION TO TEMPORARILY ABANDON WELL		NOTICE OF INTENTION TO DRILL DEEPER	
NOTICE OF INTENTION TO PLUG WELL		NOTICE OF INTENTION TO PLUG BACK		NOTICE OF INTENTION TO SET LINER	
NOTICE OF INTENTION TO SQUEEZE		NOTICE OF INTENTION TO ACIDIZE	X	NOTICE OF INTENTION TO SHOOT (Nitro)	
NOTICE OF INTENTION TO GUN PERFORATE		NOTICE OF INTENTION (OTHER)		NOTICE OF INTENTION (OTHER)	

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Hobbs, New Mexico  
(Place)

9-7-53  
(Date)

Gentlemen:

Following is a Notice of Intention to do certain work as described below at the New Mexico State A0  
Humble Oil & Refining Company Well No. 1 in H  
 (Company or Operator) (Unit)  
SE 1/4 NE 1/4 of Sec. 22, T. 17S, R. 35E, NMPM, N. Vacuum Area W/C Pool  
 (40-acre Subdivision)  
Lea County.

FULL DETAILS OF PROPOSED PLAN OF WORK  
(FOLLOW INSTRUCTIONS IN THE RULES AND REGULATIONS)

Formation lime.

Production prior to treatment - On 9-6-53 tested well 24 hours on 3/4" choke at rate of 24.96 barrels distillate.

To treat 11,990 to 12,010 with 1000 gallons low tension acid.

Approved..... SEP 14 1953 ..... 19.....  
Except as follows:

Approved  
OIL CONSERVATION COMMISSION  
By D. G. Stanley  
Title Engineer District 1

Humble Oil & Refining Company  
Company or Operator  
By [Signature]  
Position District Chief Clerk  
Send Communications regarding well to:  
Name Humble Oil & Refining Company  
Address Box 2347, Hobbs, N. M.

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

(Form C-102)  
Revised 7/1/52

MISCELLANEOUS REPORTS ON WELLS

Submit this report in TRIPLICATE to the District Office, Oil Conservation Commission, within 10 days after the work specified is completed. It should be signed and filed as a report on Beginning Drilling Operations, Results of test of casing shut-off, result of plugging of well, result of well repair, and other important operations, even though the work was witnessed by an agent of the Commission. See additional instructions in the Rules and Regulations of the Commission.

Indicate Nature of Report by Checking Below

REPORT ON BEGINNING DRILLING OPERATIONS		REPORT ON RESULT OF TEST OF CASING SHUT-OFF		REPORT ON REPAIRING WELL	
REPORT ON RESULT OF PLUGGING WELL		REPORT ON RECOMPLETION OPERATION		REPORT ON (Other)	
				Acid Treatment	X

September 11, 1953

Hobbs, N. M.

(Date)

(Place)

Following is a report on the work done and the results obtained under the heading noted above at the

Humble Oil & Refining Company

New Mexico State AC

(Company or Operator)

(Lease)

Delta Gulf Drilling Company

Well No. 1 in the SE 1/4 NE 1/4 of Sec. 22

(Contractor)

T. 17S, R. 35E, NMPM, North Vacuum Area W/C Pool, Lea County.

The Dates of this work were as follows: 9-7-53

Notice of intention to do the work (was) (was not) submitted on Form C-102 on 9-7-53, 1953, and approval of the proposed plan (was) (was not) obtained.

DETAILED ACCOUNT OF WORK DONE AND RESULTS OBTAINED

Treated 11,990 to 12,010' with 1000 gallons Western 15% LT acid. Max. & min. tubing press. 5100-4600#. Injection rate 0.8 to 1.2 barrels per minute. Casing pressure 2900#. Flushed tubing with 47 barrels water.

9-10-53, On 24 hour test on 3/4" choke, produced 4.68 barrels fluid, 25% water, 75% distillate. Gas Volume 464 Mcf/day. Gas distillate ratio 132,194. Tubing pressure 300#.

Witnessed by [Signature] Humble Oil & Refining Company Asst. Dist. Supt.

Approved: OIL CONSERVATION COMMISSION

I hereby certify that the information given above is true and complete to the best of my knowledge.

[Signature] (Name)

Name

Position District Superintendent

Engineer District 1

Representing Humble Oil & Refining Co.

(Title) mcb/mcb

Address Box 2347, Hobbs, N. M.

SEP 15 1953 (Date)

EXHIBIT H

Direct and Diagonal Offset Operators of State of New Mexico Oil & Gas  
Lease No. V-1520 located in the NE/4, E/2NW/4, Sec. 22, T-17S, R-35E,  
Lea Co., New Mexico

Amerada Hess Corporation  
Box 2040  
Tulsa, Oklahoma 74102

Atlantic Richfield Co.  
Box 1610  
Midland, Texas 79702

HNG Oil Co.  
P. O. Box 2267  
Midland, Texas 79702

Marathon Oil Co.  
Box 552  
Midland, Texas 79701

Mobil Producing Texas & New Mexico, Inc.  
Box 633  
Midland, Texas 79702

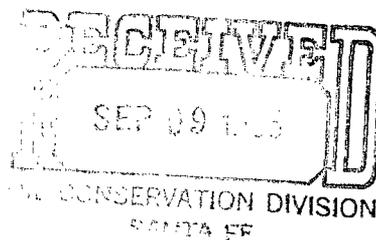
Phillips Petroleum Co.  
4001 Penbrook  
Odessa, Texas 79762

Polaris Production Corp.  
Box 1749  
Midland, Texas 79702

Sun Exploration & Production  
P. O. Box 1861  
Midland, Texas 79702-9970



P. O. BOX 2267, MIDLAND, TEXAS 79702 (915) 686-3600



September 5, 1985

Mr. Richard L. Stamets, Director  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504

RE: Non-Standard proration unit  
and unorthodox location

Dear Mr. Stamets;

HNG Oil Company does not object to the attached application from T. H. McElvain Oil & Gas Properties located in Section 22, T-17-S, R-35-E, Lea County, New Mexico.

Very Truly Yours,

A handwritten signature in cursive script that reads "Terry L. Cherryhomes".

Terry L. Cherryhomes  
Manager of Production Geology

Attachments

XC: Readers file  
Tom Pickering

TLC/srb

T. H. McELVAIN OIL & GAS PROPERTIES

T. H. McELVAIN, JR., MANAGER

220 SHELBY STREET

P. O. Box 2148

SANTA FE, NEW MEXICO 87504-2148

CATHERINE B. McELVAIN  
CATHERINE M. HARVEY  
T. H. McELVAIN, JR.

August 28, 1985



HNG Oil Co.  
P. O. Box 2267  
Midland, Texas 79702

CERTIFIED MAIL

Re: Notice of Application by T. H. McElvain Oil & Gas Properties for approval of a Non-standard proration unit and an unorthodox gas well location in the Atoka formation under New Mexico State Oil & Gas Lease #V-1520

Gentlemen:

T. H. McElvain Oil & Gas Properties, hereinafter referred to as "McElvain", as operator of State of New Mexico Oil & Gas Lease No. V-1520, dated July 1, 1985, proposes to re-enter the Humble Oil and Refining Company's New Mexico State "AC" #1 well located on said lease 1980' FNL and 660' FEL of Sec. 22, T-17S, R-35E, Lea Co., New Mexico to attempt to re-complete in the Atoka formation (See Exhibit A). The subject well was drilled at an orthodox location in 1953 to a depth of 13,871' in the Devonian formation and the well records indicate that the original proration unit included only the 240 acres that are included in the subject state lease No. V-1520.

McElvain hereby gives notice of application with the New Mexico Oil Conservation Division for administrative approval of a non-standard proration unit under Rule 104, D, II, consisting of the NE/4, E/2NW/4 of Sec. 22, T-17S, R-35E, Lea. Co., New Mexico, containing 240 acres, more or less and being 100% of the acreage included in State of New Mexico Oil & Gas Lease #V-1520, dated July 1, 1985. McElvain also gives notice of application for administrative approval of an unorthodox well location under Rule 104, F, I, for a North half Atoka unit at 1980' FNL and 660' FEL of Sec. 22, T-17S, R-35E, Lea Co., New Mexico in order to allow us to re-enter the existing Humble dry hole at that location and attempt a re-completion in the Atoka formation.

If you do not object to these applications, we would appreciate a statement to that effect sent to:

Mr. Richard L. Stamets, Director  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Very truly yours,

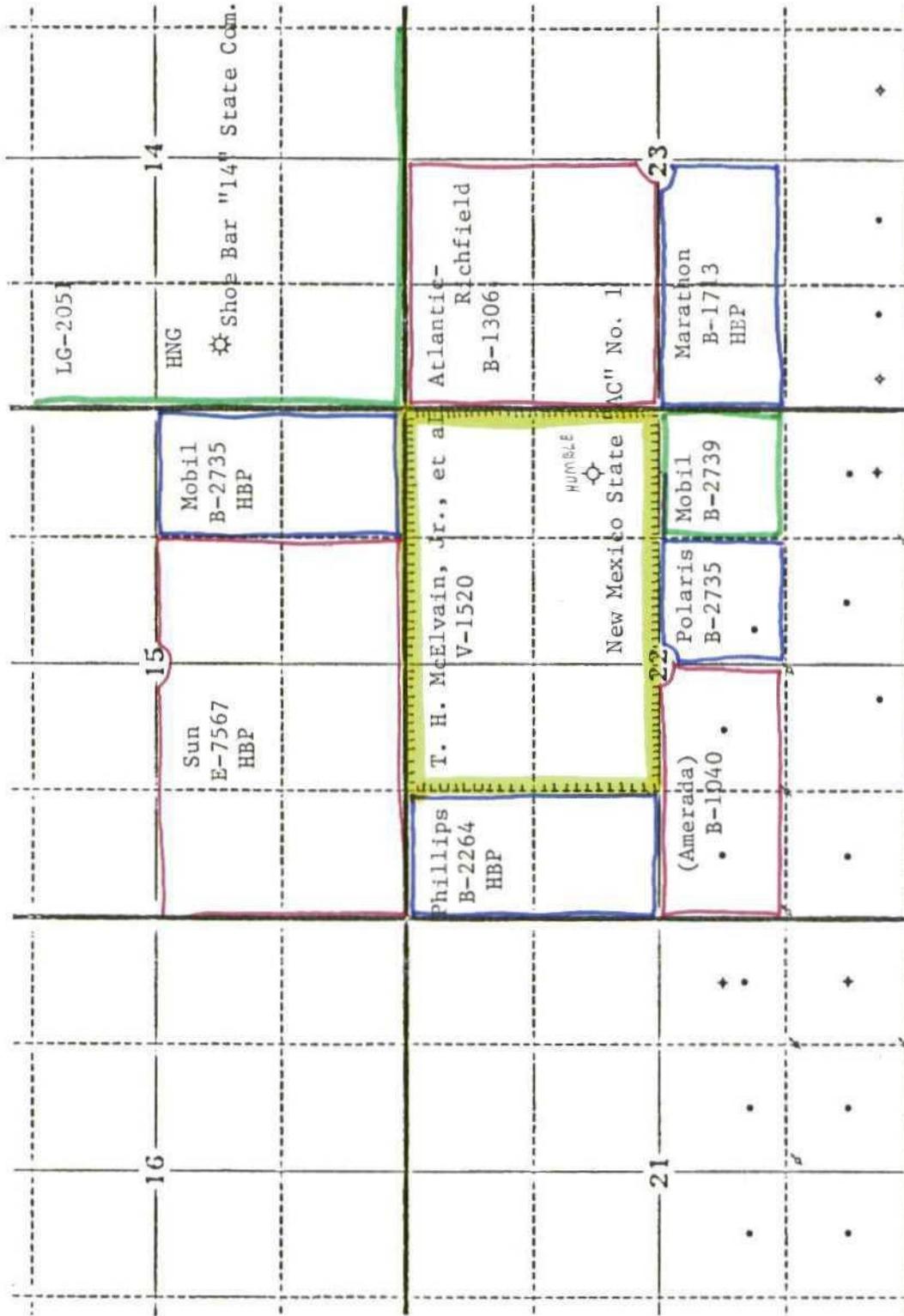
T. H. McELVAIN OIL & GAS PROPERTIES

*George B. Broome*  
George B. Broome  
Geological Engineer

GBB/thh  
Encl.

R-35-E

T 1 7 S



T. H. McElvain Oil and Gas Properties  
 P.O. Box 2148  
 Santa Fe, New Mexico 87504-2148  
 Application for 240 acres nonstandard  
 proration unit and unorthodox location.

Plat of New Mexico State Oil and Gas  
 Lease No. V-1520 and offsetting  
 operators, Lea Co., New Mexico.

Samuel Johnson



September 10, 1985

**Sun Exploration and  
Production Company**  
No 24 Smith Road  
ClayDesta Plaza  
PO Box 1861  
Midland TX 79702 9970  
915 688 0300

Mr. Richard L. Stamets, Director  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Re: Notice of Application by T. H. McElvain Oil  
& Gas Properties for Approval of a Non-  
Standard Proration Unit and an Unorthodox  
Gas Well Location in the Atoka Formation  
Under New Mexico State Oil & Gas Lease #V-1520

Dear Sir:

Please be advised that Sun Exploration and Production Company has no objection to the subject application regarding the re-entry of the Humble Oil and Refining Company's New Mexico State "AC" #1 well to recomplete in the Atoka formation.

Yours very truly,

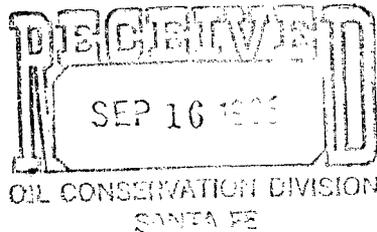
SUN EXPLORATION & PRODUCTION COMPANY

  
J. H. JOWELL  
District Reserves Development Manager

JHJ/ak

cc: T. H. McElvain Oil & Gas Properties  
P. O. Box 2148  
Santa Fe, New Mexico 87504-2148

ARCO Oil and Gas Company  
Permian District  
Post Office Box 1610  
Midland, Texas 79702  
Telephone 915 684 0100



September 10, 1985

Mr. Richard L. Stamets, Director  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Dear Sir:

Waiver of Objection to the Application of T. H.  
McElvain Oil & Gas Properties for approval of a  
Non-standard proration unit and an unorthodox gas  
well location in the Atoka formation  
Lea County, New Mexico

We have been notified of T. H. McElvain's proposal to re-enter the Humble State "AC" No. 1 well located 1980' FNL & 660' FEL of Section 22, T17S, R35E, Lea County, New Mexico. ARCO Oil & Gas Company does not object to T. H. McElvain's application for approval of a non-standard proration unit and an unorthodox Atoka gas well location.

Sincerely,

Antoinette D. Green  
Engineer

ADG:1s

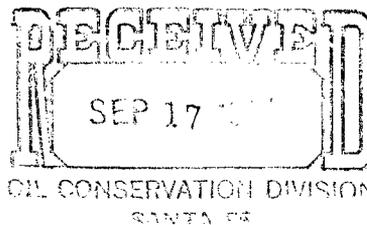
xc: T. H. McElvain Oil & Gas Properties  
T. H. McElvain, Jr., Manager  
P. O. Box 2148  
Santa Fe, New Mexico 87504-2148

Midland District  
Houston Division  
Production Operations United States



P.O. Box 552  
Midland, Texas 79702  
Telephone 915/682-1626

September 11, 1985



Mr. Richard L. Stamets, Director  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87504

Re: Application by T. H. McElvain Oil & Gas Properties  
For Approval of a Non-Standard Proration Unit and  
An Unorthodox Gas Well Location in the Atoka Formation  
New Mexico State A/C No. 1 Well  
1980' FNL & 660' FEL, Sec. 22, T-17-S, R-35-E  
Lea County, New Mexico

Dear Sir:

Marathon Oil Company is an offset operator of T. H. McElvain Oil and Gas Properties' proposed Atoka recompletion in the Humble Oil and Refining Company's New Mexico State A/C No. 1 Well at the above location. Marathon waives any objection to McElvain's application for administrative approval of an unorthodox well location under Rule 104, F, I, for a N/2 Atoka unit at 1980' FNL and 660' FEL of Section 22, T-17-S, R-35-E, Lea County, New Mexico. Marathon also waives any objection to McElvain's application for administrative approval of a non-standard proration unit under Rule 104, D, II, consisting of the NE/4, E/2 NW/4 Sec. 22, T-17-S, R-35-E, Lea County, New Mexico, containing 240 acres, more or less.

Sincerely,

A handwritten signature in cursive script, appearing to read 'J. C. Howell'.

J. C. Howell  
District Engineer

MDV/dah