

SAMEDAN OIL CORPORATION
10 DESTA DRIVE
SUITE 240 EAST
MIDLAND, TEXAS 79705
(915) 688-3660

September 4, 1987

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

Attention: Mr. Sexton

Re: State "7" Well #1
Hume (Atoka) Field
Section 7, T-16-S, R-34-E
Lea County, New Mexico

Dear Sir:

Samedan Oil Corporation requests administrative approval of an exception to well location requirements for the above captioned well. This well will be drilled 990' FEL and 1980' FSL of the section. The acreage dedicated to this well is the south half (320 acres) of the section. Well location requirements for development gas wells in Lea County require the well to be located no closer than 660 feet to the nearest side boundary and no closer than 1980 feet to the nearest end boundary and no closer than 330 feet to any quarter - quarter section line.

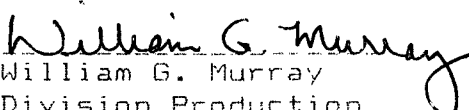
In accordance with Rule 104 F.II., we request the Division Director to grant this exception. Our request is based upon geologic conditions. This well is not closer than 660 feet to the nearest side boundary and not closer than 990 feet to the nearest end boundary. All offset operators have supplied waivers (attached).

The Hume (Atoka) Field is a combination structural and stratigraphic trap. The Atoka in this immediate area is a distributory channel with the reservoir facies developed only on the north and west flanks of the feature. As indicated on the enclosed structure map and cross-section, it is Samedan's interpretation that a well needs to be drilled 990' FEL and 1980' FSL of Section 7, T-16-S, R-34-E to encounter the Atoka sand at the optimum structural position for efficient recovery of hydrocarbons from this zone.

New Mexico Oil Conservation
September 4, 1987
Page 2

We trust that the enclosed information is sufficient to allow approval of our request, however, should additional information be required, please advise.

Yours truly,


William G. Murray
Division Production
Superintendent

WGM:rk

Enclosure - Map
Cross-Section
Waivers

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

Form C-101
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
STATE ☒ FEE ☐
5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐		7. Unit Agreement Name	
2. Name of Operator Samedan Oil Corporation		8. Farm or Lease Name State "7"	
3. Address of Operator 10 Desta Drive, Suite 240 East, Midland, Texas 79705		9. Well No. 1	
4. Location of Well UNIT LETTER <u>I</u> LOCATED <u>990</u> FEET FROM THE <u>East</u> LINE AND <u>1980</u> FEET FROM THE <u>South</u> LINE OF SEC. <u>7</u> TWP. <u>16-S</u> RGE. <u>34-E</u> NMPM		10. Field and Pool, or Wildcat Hume Atoka	
		12. County Lea	
		19. Proposed Depth 13,200	
		19A. Formation Miss	
		20. Rotary or C.T. Rotary	
21. Elevations (show whether DF, RT, etc.) 4149' Gr		21A. Kind & Status Plug. Bond On File	
		21B. Drilling Contractor N/A	
		22. Approx. Date Work will start N/A	

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17"	13-3/8"	48#	450	475	Surface
11"	8-5/8"	24#	4500	1430	* 200'
7-7/8"	5-1/2"	17#	13,200	2100	*3600'

* All cement calculation use 100% excess or greater as needed for estimated cement top.

Samedan Oil Corporation plans to drill and run casing according to the above outlined program. Completion will be made in the Atoka formation if shows and test warrant.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Uta Dismas Title Division Production Clerk Date September 4, 1987

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

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

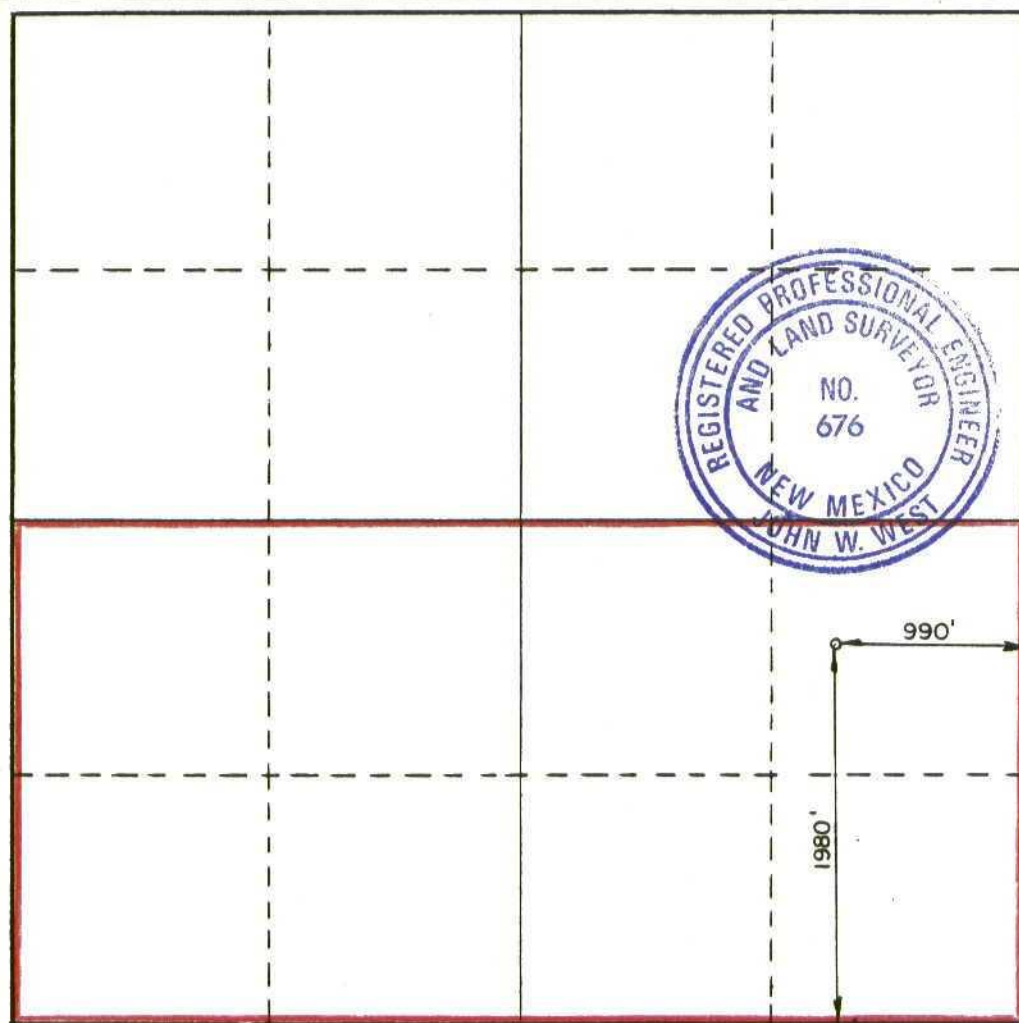
Operator SAMEDAN OIL CORP.			Lease STATE 7		Well No. 1
Unit Letter I	Section 7	Township 16 SOUTH	Range 34 EAST	County LEA	
Actual Footage Location of Well: 1980 feet from the SOUTH line and 990 feet from the EAST line					
Ground Level Elev. 4149.4	Producing Formation Hume Atoka		Pool		Dedicated Acreage: 304.01 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, force-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 Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Vertis Diamond

Name
Vertis Diamond
Position
Div. Prod. Clerk
Company
Samedan Oil Corp
Date
7-23-87

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
June 18, 1987
Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

July 23, 1987

re: Application for
Unorthodox Location
Drilling Permit
State "7" Well #1
Sec 7, T-16-S, R-34-E
Lea County, New Mexico

New Mexico Oil & Gas Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Exxon Corporation, as an offset operator or offset owner of operating rights, has been advised of Samedan Oil Corporation's intent to drill the above referenced well at a location 990' FEL & 1980' FSL of Section 7, T-16-S, R-34-E, Lea County, New Mexico. We have by this correspondence been advised that this location is closer to the lease lines than the rules allow for the Hume Atoka and the Hume Morrow Pools.

This letter is to advise that Exxon Corporation has no objection to the granting of a drilling permit at this location and hereby waives objection and notice of hearing on this application.

BY :

TITLE :

DATE :

James D. Hume
Division Staff Engineer
8/18/87

July 23, 1987

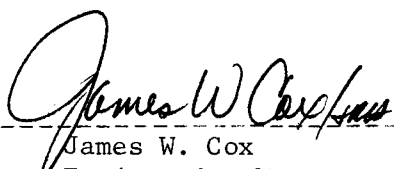
re: Application for
Unorthodox Location
Drilling Permit
State "7" Well #1
Sec 7, T-16-S. R-34-E
Lea County, New Mexico

New Mexico Oil & Gas Conservation Commission
P.O. Box 2088
Santa Fe. New Mexico 87501

Gentlemen:

Texaco Inc., as an offset operator or offset owner of operating rights, has been advised of Samedan Oil Corporation's intent to drill the above referenced well at a location 990' FEL & 1980' FSL of Section 7, T-16-S, R-34-E, Lea County, New Mexico. We have by this correspondence been advised that this location is closer to the lease lines than the rules allow for the Hume Atoka and the Hume Morrow Pools.

This letter is to advise that Texaco Inc. has no objection to the granting of a drilling permit at this location and hereby waives objection and notice of hearing on this application.

BY : 
James W. Cox
TITLE : Engineering Manager
DATE : August 4, 1987

July 23, 1987

re: Application for
Unorthodox Location
Drilling Permit
State "7" Well #1
Sec 7, T-16-S, R-34-E
Lea County, New Mexico

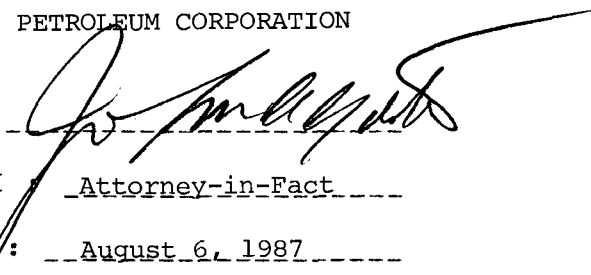
New Mexico Oil & Gas Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Yates Petroleum Corporation, as an offset operator or offset owner of operating rights, has been advised of Samedan Oil Corporation's intent to drill the above referenced well at a location 990' FEL & 1980' FSL of Section 7, T-16-S, R-34-E, Lea County, New Mexico. We have by this correspondence been advised that this location is closer to the lease lines than the rules allow for the Hume Atoka and the Hume Morrow Pools.

This letter is to advise that Yates Petroleum Corporation has no objection to the granting of a drilling permit at this location and hereby waives objection and notice of hearing on this application.

YATES PETROLEUM CORPORATION

BY : 
TITLE : Attorney-in-Fact
DATE : August 6, 1987

July 23, 1987

re: Application for
Unorthodox Location
Drilling Permit
State "7" Well #1
Sec 7, T-16-S, R-34-E
Lea County, New Mexico

New Mexico Oil & Gas Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Mewbourne Oil Company, as an offset operator or offset owner of operating rights, has been advised of Samedan Oil Corporation's intent to drill the above referenced well at a location 990' FEL & 1980' FSL of Section 7, T-16-S, R-34-E, Lea County, New Mexico. We have by this correspondence been advised that this location is closer to the lease lines than the rules allow for the Hume Atoka and the Hume Morrow Pools.

This letter is to advise that Mewbourne Oil Company has no objection to the granting of a drilling permit at this location and hereby waives objection and notice of hearing on this application.

BY : Mary L. Winter
TITLE : Dist. Expl. Mgr.
DATE : July 27, 1987

July 23, 1987

re: Application for
Unorthodox Location
Drilling Permit
State "7" Well #1
Sec 7, T-16-S, R-34-E
Lea County, New Mexico

New Mexico Oil & Gas Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Moncrief Oil Interests, as an offset operator or offset owner of operating rights, has been advised of Samedan Oil Corporation's intent to drill the above referenced well at a location 990' FEL & 1980' FSL of Section 7, T-16-S, R-34-E, Lea County, New Mexico. We have by this correspondence been advised that this location is closer to the lease lines than the rules allow for the Hume Atoka and the Hume Morrow Pools.

This letter is to advise that Moncrief Oil Interests has no objection to the granting of a drilling permit at this location and hereby waives objection and notice of hearing on this application.

BY : Dewey E. Thornton
TITLE : Exploration manager
DATE : August 7, 1987

July 23, 1987

re: Application for
Unorthodox Location
Drilling Permit
State "7" Well #1
Sec 7, T-16-S, R-34-E
Lea County, New Mexico

New Mexico Oil & Gas Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Tenneco Oil Company, as an offset operator or offset owner of operating rights, has been advised of Samedan Oil Corporation's intent to drill the above referenced well at a location 990' FEL & 1980' FSL of Section 7, T-16-S, R-34-E, Lea County, New Mexico. We have by this correspondence been advised that this location is closer to the lease lines than the rules allow for the Hume Atoka and the Hume Morrow Pools.

This letter is to advise that Tenneco Oil Company has no objection to the granting of a drilling permit at this location and hereby waives objection and notice of hearing on this application.

BY : Douglas A. Liska
TITLE : Division Project Leader
DATE : 8/3/87

July 23, 1987

re: Application for
Unorthodox Location
Drilling Permit
State "7" Well #1
Sec 7, T-16-S, R-34-E
Lea County, New Mexico

New Mexico Oil & Gas Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Great Western Drilling Company, as an offset operator or offset owner of operating rights, has been advised of Samedan Oil Corporation's intent to drill the above referenced well at a location 990' FEL & 1980' FSL of Section 7, T-16-S, R-34-E, Lea County, New Mexico. We have by this correspondence been advised that this location is closer to the lease lines than the rules allow for the Hume Atoka and the Hume Morrow Pools.

This letter is to advise that Great Western Drilling Company has no objection to the granting of a drilling permit at this location and hereby waives objection and notice of hearing on this application.

GREAT WESTERN DRILLING COMPANY

BY :



TITLE :

President

DATE :

July 24, 1987

