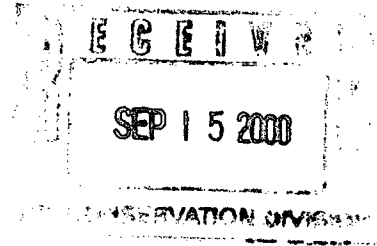


AMEND NSL

10/5/00

26437740

**ELLIOTT OIL COMPANY
P.O. BOX 3300
ROSWELL, NM 88202**



September 11, 2000

Mr. Mike Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Re: Non-standard Location
Monterey Federal No. 7
Administrative Order NSL-4398

Dear Mr. Stogner:

The referenced order authorizes Elliott Oil Company to drill its Monterey Federal Well No. 7 at an unorthodox Abo oil well location 990 feet from the South line and 2480 feet from the West line (Unit V) of irregular Section 1, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. We wish to request an amendment to the order to include the Tubb and Blinebry.

Attached is a Sundry Notice describing the completion work. We are currently testing the Blinebry. Our plans are to produce the Blinebry and at a later date we may request permission to downhole comingle the Tubb and Blinebry. Also attached is an amended C-102 for the Blinebry Oil and Gas.

If you have any questions, please do not hesitate to call me at 505-392-3575.

Sincerely,

Debbie McKelvey
Debbie McKelvey
Agent for Elliott Oil Company

Attachments

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use 'APPLICATION FOR PERMIT' for such proposals

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.
LC 065525-B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Monterey Fed. #7

9. API Well No.
30-025-34937

10. Field and Pool, or Exploratory Area
Blinebry Oil and Gas

11. County or Parish, State
Lea County, NM

SUBMIT IN TRIPLICATE

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Elliott Oil Company

2. Address Telephone No.
P.O. Box 3300, Roswell, NM 88202 505-622-5840

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

990' FSL & 2480' FWL

Section 1, T-21S, R37E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other PERFORATE AND TEST

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

07/07/00 - 7/27/00 PERFORATE & TEST ABO

Perforate Abo as follows: 1 JSPF - 7663, 32, 7472, 66, 58, 42, 39, 08, 03, 7324, 19, 16, 08, 05, 01, 7240, 7195, 80, 62, 59, 10, 17, 48, 51, 54, 7506, 09, 14, 19, 33, 36, 41, 44, 52, 57, 66, 77, 7329, 43, 59, 65, 67, 7243, 48, 61, 65, 70, 83, 05, 10, 16, 25, 33, 7074, 78, 86-94 (9 holes). Total of 64 holes.

Set RBP @ 7680' Set pkr. @ 7385'. Acidize - 6 bbls. acid in formation, communicated with backside. Reset pkr. @ 7354' and communicated again. Moved pkr. to 7418', well communicated. Moved pkr. to 7132', well appeared to treat OK, then communicated. Moved pkr. to 6973' and finished acid job. Pumped total of 3150 gals. 15% HCl-NE-FE Acidized w/10,000 gals. 15% HCl-NE-FE.

Pulled RBP. Ran CBL/VDL 7694-5291'. Showed poor bond above and below Drinkard porosity 6900-6950'. Perforated Squeeze holes @ 6855' and 6980'. Set cement retainer @ 6950'. Squeezed Abo in two stages with 110 sx Class C to 4000 p

Drilled out cement 7045' to PBTD 7704'. Tested csg. To 1000 psi; bled off 200 psi in 10 min. Swabbed Reperforated Abo 1 SPF, 7 holes - 7301, 05, 08, 16, 19, 24, 29. Set pkr. @ 7262'. Pumped 6 bbls. acid in formation; well communicated. Moved pkr. 4' up, communicated again. Reset pkr. @ 7135', communicated again (CONTINUED)

14. I hereby certify that the foregoing is true and correct

Signed _____ Title _____ Date _____

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

PERFORATE AND TEST DRINKARD:

7/28/00 – 7/31/00

Set CIBP @ 6976'. Perforate Drinkard 6930-34' and 6938-48', 1 JSPF, 16 shots. Acidized Drinkard with 1500 gals. 15% HCl-NE-FE.

PERFORATE AND TEST TUBB:

8/02/00 – 8/03/00

Dump 35' cement on CIBP @ 6976'. Run CIBP, set @ 6840'. Perforate Tubb 6742-48' and 6750-56', 1 JSPF, 14 holes. Acidized with 3000 gals. 15% HCl-NE-FE.

PERFORATE AND TEST BLINEBRY:

8/04/00 – 8/12/00

Perforate Blinebry 5895, 97, 5903, 04, 05, 07, 22, 25, 27, 44, 54, 68, 69, 84, 86, 88, 92, 6005, 11, 14', 1 JSPF, 20 holes. Set RBP @ 6300'. Acidize with 3000 gals. 15% HCl-NE-FE. Swabbed – final runs 10%+ oil. Fractured Blinebry with 551 bbls. gelled fluid, 490 bbls. CO2 & 97,000 lbs. Sand. SI 2 hrs. Open to frac tank on 30/64" choke. Csg. Pressure 380 psi.

DISTRICT I
P.O. Box 1888, Hobbs, NM 88241-1888

DISTRICT II
P.O. Drawer 228, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Bravo Rd., Artesia, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34937	Pool Code 06660	Pool Name Blinebry Oil & Gas
Property Code 25360	Property Name MONTEREY	Well Number 7
OCRD No. 7178	Operator Name ELLIOTT OIL COMPANY	Elevation 3516

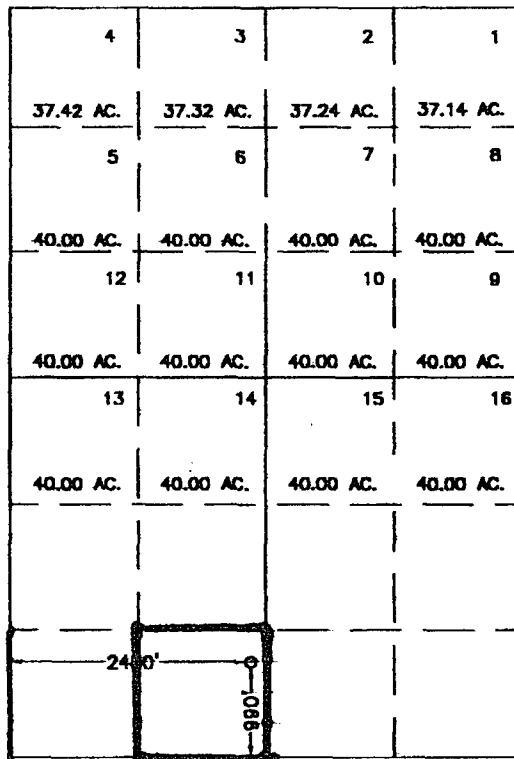
Surface Location

UL or lot No. V	Section 1	Township 21 S	Range 37 E	Lot Idn	Feet from the 990	North/South line SOUTH	Feet from the 2480	East/West line WEST	County LEA
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Bottom Hole Location If Different From Surface

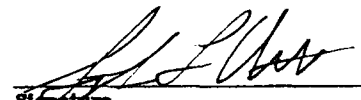
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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.



Signature
Stephen L. Elliott

Printed Name
Managing Agent

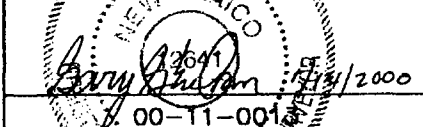
Title
Date
9/8/00

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.

JANUARY 10, 2000

Date Surveyed
Signature & Seal of
Professional Surveyor


00-11-0015

Certification No. RONALD V. EDSON 3239
GARY EDISON 12641
MASON McDONALD 12185

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0133
Expires: March 31, 1993

5. Lease Designation and Serial No.
LC 065525-B

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Monterey Fed. #7

9. API Well No.
30-025-34937

10. Field and Pool, or Exploratory Area
Blinberry Oil and Gas

11. County or Parish, State
Lea County, NM

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to a different reservoir. Use 'APPLICATION FOR PERMIT'
for such proposals

SUBMIT IN TRIPLICATE

Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
Elliott Oil Company

3. Address
P.O. Box 3300, Roswell, NM 88202

Telephone No.
505-622-5840

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

990' FSL & 2480' FWL

Section 1, T-21S, R37E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other PERFORATE AND TEST

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

07/07/00 - 7/27/00 PERFORATE & TEST ABO

Perforate Abo as follows: 1 JSPF - 7663, 32, 7472, 66, 58, 42, 39, 08, 03, 7324, 19, 16, 08, 05, 01, 7240, 7195, 80, 62, 59, 10, 17, 48, 51, 54, 7506, 09, 14, 19, 33, 36, 41, 44, 52, 57, 66, 77, 7329, 43, 59, 65, 67, 7243, 48, 61, 65, 70, 83, 05, 10, 16, 25, 33, 7074, 78, 86-94 (9 holes). Total of 64 holes.

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Drilled out cement 7045' to PBTD 7704'. Tested csg. To 1000 psi; bled off 200 psi in 10 min. Swabbed Reperforated Abo 1 SPF, 7 holes - 7301, 05, 08, 16, 19, 24, 29. Set pkr. @ 7262'. Pumped 6 bbls. acid in formation; well communicated. Moved pkr. 4' up, communicated again. Reset pkr. @ 7135', communicated again (CONTINUED)

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title Managing Agent Date 7/8/00

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

2 - Perforate & Test Monterey Fed, #7

PERFORATE AND TEST DRINKARD:

1/00 - 7/31/00

CIBP @ 6976'. Perforate Drinkard 6930-34' and 6938-48', 1 JSPF, 16 shots. Acidized Drinkard with 1500 gals. 15% HCl-NE-FE.

PERFORATE AND TEST TUBB:

2/00 - 8/03/00

Run 35' cement on CIBP @ 6976'. Run CIBP, set @ 6840'. Perforate Tubb 6742-48' and 6750-56', 1 JSPF, 14 holes. Acidized with 3000 gals. 15% HCl-NE-FE.

PERFORATE AND TEST BLINEBRY:

4/00 - 8/12/00

Perforate Blinebry 5895, 97, 5903, 04, 05, 07, 22, 25, 27, 44, 54, 68, 69, 84, 86, 88, 92, 6005, 11, 14', 1 JSPF, 20 holes. Run RBP @ 6300'. Acidize with 3000 gals. 15% HCl-NE-FE. Swabbed - final runs 10%+ oil. Fractured Blinebry with 1 bbls. gelled fluid, 490 bbls. CO2 & 97,000 lbs. Sand. SI 2 hrs. Open to frac tank on 30/64" choke. Csg. Pressure 380 psi.



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

January 31, 2000

**Elliott Oil Company
P. O. Box 1355
Roswell, New Mexico 88202
Attention: Marc Wise**

Administrative Order NSL-4398

Dear Mr. Wise:

Reference is made to the following: (i) your application dated January 17, 2000; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Elliott Oil Company's request for an exception to the well location to drill its proposed Monterey Federal Well No. 7 at an unorthodox Abo oil well location 990 feet from the South line and 2480 feet from the West line (Unit V) of irregular Section 1, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

The SE/4 SW/4 of Section 1, which is included within is a single Federal lease (United States Government Lease No. LC-065525-B) in which Elliott Oil Company is the leasehold operator, is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit for the Wantz-Abo Pool.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox oil well location will be at a more favorable geologic position within the potentially productive interval of the Abo formation than a well drilled at a location considered to be standard within the subject 40-acre oil spacing and proration unit.

Further, it is our understanding that offsetting the 40-acre tract to the east, the SW/4 SE/4 (Unit W) of Section 1, is included within a single Federal lease (United States Government Lease No. LC-065525) which is fully owned by Elliott Oil Company; therefore, there are no effected offsets to the subject 40-acre tract within the Abo interval other than Elliott Oil Company.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION10/30/00 11:11:13
OGOMES -TP7N
PAGE NO: 2

Sec : 01 Twp : 21S Rng : 37E Section Type : LONG

L 40.00 CB OPEN R A	K 40.00 CB OPEN R A A	J 40.00 CB OPEN R A A	I 40.00 CB OPEN R A
M 40.00 CB OPEN R A A	N 40.00 CB OPEN R A A	O 40.00 CB OPEN R A	P 40.00 CB OPEN R

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION10/30/00 11:11:09
OGOMES -TP7N
PAGE NO: 1

Sec : 01 Twp : 21S Rng : 37E Section Type : LONG

12 4 5 40.00 37.10 40.00	11 3 6 40.00 37.11 40.00	10 2 7 40.00 37.11 40.00	1 8 9 37.12 40.00 40.00
Mixed Non State	Mixed Non State	Mixed Non State	Mixed Non State
A A A P	A A A	A A	A
13 40.00	14 40.00	15 40.00	16 40.00
Federal owned	Federal owned	Federal owned	Federal owned
A	A A	A A	A

PF01 HELP
PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

CMD :
OG6IWCM

ONGARD
INQUIRE WELL COMPLETIONS

10/27/00 17:31:30
OGOMES -TQC3

API Well No : 30 25 6335 Eff Date : 01-01-1900 WC Status : A
Pool Idn : 6660 BLINEBRY OIL AND GAS (OIL)
OGRID Idn : 7178 ELLIOTT OIL CO
Prop Idn : 3993 ELLIOTT

Well No : 006
GL Elevation: 3515

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : N	1	21S	37E	FTG	660 F S	FTG 1980 F W	P
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

CMD : ONGARD 10/27/00 17:31:48
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TQC3

OGRID Idn : 7178 API Well No: 30 25 34937 APD Status(A/C/P): A
Opr Name, Addr: ELLIOTT OIL CO Aprvl/Cncl Date : 01-19-2000
PO BOX 1355
ROSWELL,NM 88201

Prop Idn: 25360 MONTEREY FEDERAL Well No: 7

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn : N	1	21S	37E				FTG 990 F S	FTG 2480 F W
OCD U/L : V		API	County	25				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3516

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 7900 Prpsd Frmtn : ABO

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

CMD :
OG6IWCM

ONGARD
INQUIRE WELL COMPLETIONS

10/27/00 17:32:00
OGOMES -TQC3

API Well No : 30 25 6327 Eff Date : 01-01-1900 WC Status : A
Pool Idn : 6660 BLINEBRY OIL AND GAS (OIL)
OGRID Idn : 7178 ELLIOTT OIL CO
Prop Idn : 3995 ELLIOTT B FEDERAL

Well No : 003
GL Elevation: 3524

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : O	1	21S	37E	FTG	660 F S	FTG 2970 F W	P

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

CMD : ONGARD 10/27/00 17:30:32
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TQC3

API Well No : 30 25 6336 Eff Date : 02-01-1998 WC Status : A
Pool Idn : 6660 BLINEBRY OIL AND GAS (OIL)
OGRID Idn : 7178 ELLIOTT OIL CO
Prop Idn : 22895 FEDERAL H T

Well No : 001
GL Elevation: 3355

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : J	1	21S	37E	FTG 1980	F S	FTG 1980	F E P

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

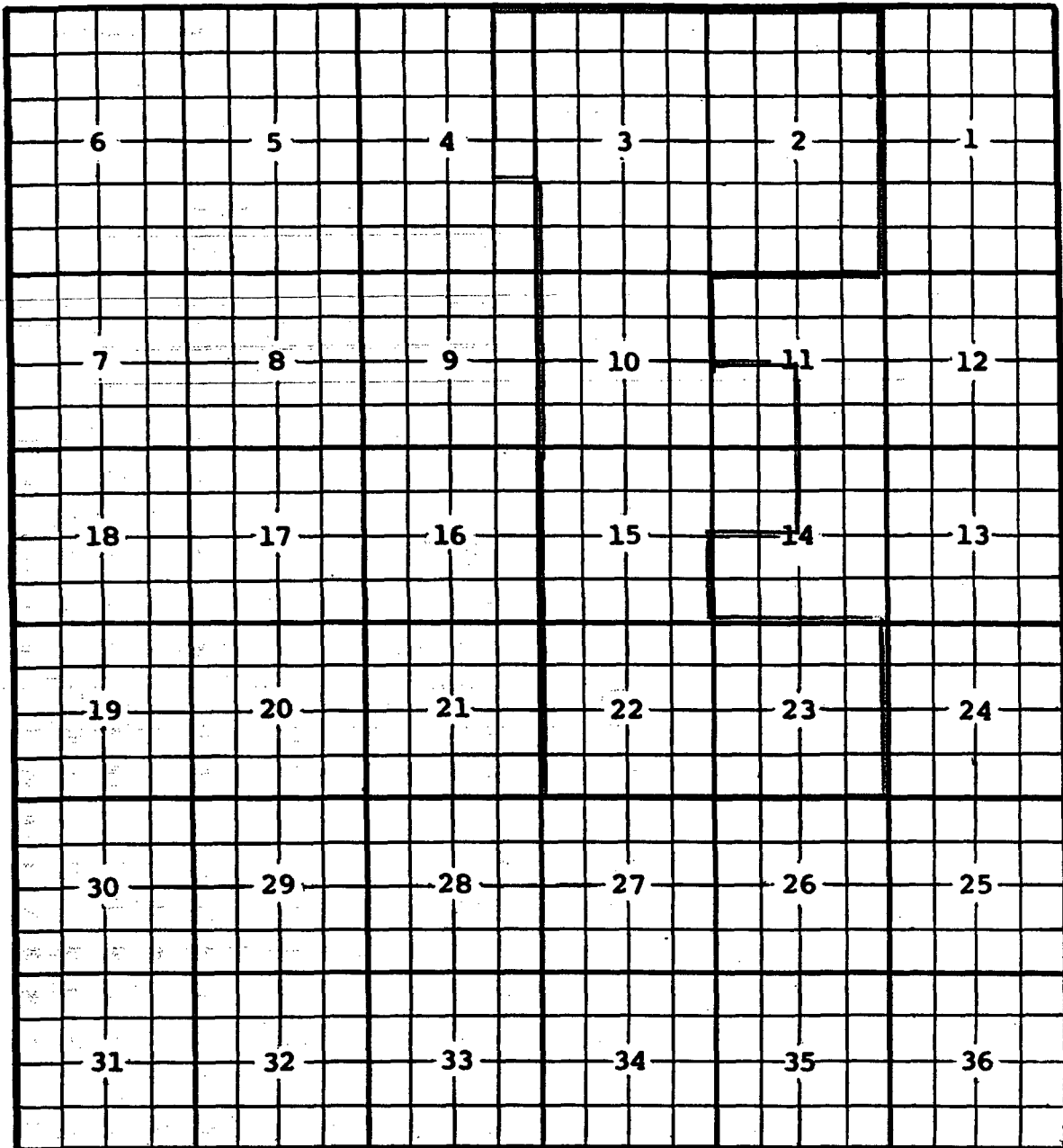
COUNTY LEA

POOL NORTH EUNICE BLINEBRY - TUBB - DRINKARD

OIL AND GAS

TOWNSHIP 21 SOUTH RANGE 37 EAST

NMPM



DESC.: ALL SEC. 2, SEC 3; LOTS 1, 8, 9, 16 SEC 4; ALL SEC. 10; SW 1/4 SEC 11; NW 1/4 SEC 14;
ALL SEC. 15, ALL SEC. 22, ALL SEC. 23 (R-8539 11/9/87)

*Pool Rules to be
with
pool lease only*

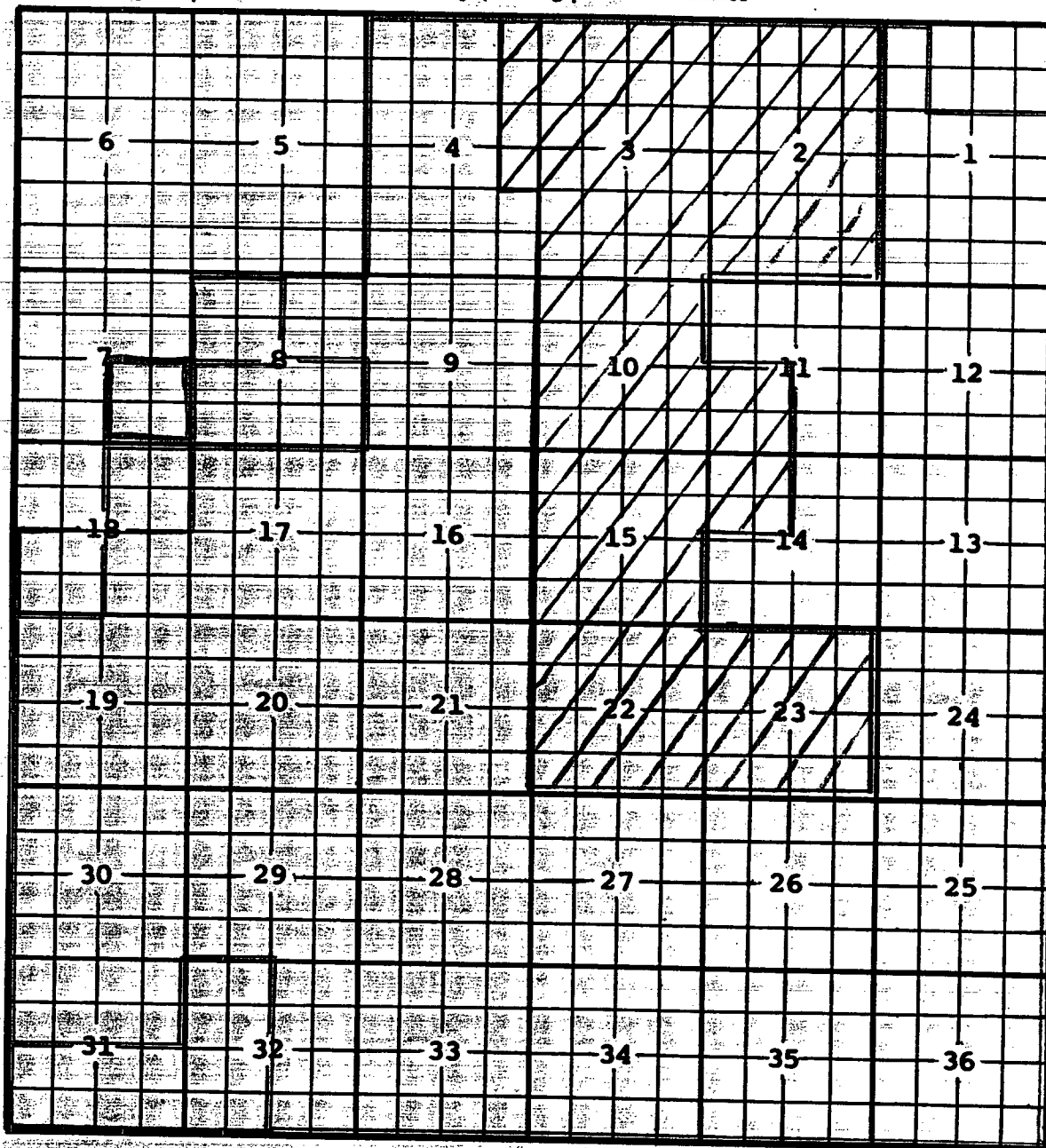
COUNTY *Lea*

POOL Blinety Oil and Gas

TOWNSHIP 21 South

RANGE 37 East

NMPM



Description: Lots 4, 5 & 9 thru 16 & $\frac{5}{2}$ Sec 1, All Secs. 2 thru 4, $\frac{NE}{4}$ Sec 8,
All Secs 9 thru 17, $\frac{SE}{4}$ Sec 18, All Sec 19 thru 30, $\frac{N}{2}$ Sec 31,
 $\frac{E}{2}$ Sec 32; All Secs 33 thru 36 (R-1670-N, 1-1-74)
Ext: $\frac{S}{2}$ Sec 31, $\frac{W}{2}$ Sec 32 (R-5215, 6-1-76)
Ext: $\frac{NE}{4}$ Sec 18 (R-5338, 1-1-77) Ext: $\frac{S}{2}$ Sec 8 (R-5911, 2-1-79)
Ext: $\frac{SW}{4}$ Sec 18 (R-6211, 12-9-77) Ext: $\frac{NW}{4}$ Sec. 8 (R-6536, 12-1-80)
Ext: Sec: 7, $\frac{SE}{4}$ (R-7114, 10-19-82) DEL: ALL SEC. 2; ALL SEC. 3; LOTS
1, 8, 9, 16 SEC. 4; ALL SEC. 10; $\frac{SW}{4}$ SEC. 11; $\frac{NW}{4}$ SEC. 14; ALL SEC. 15; ALL SEC. 22; ALL SEC. 23
(R-8539 1/9/87)