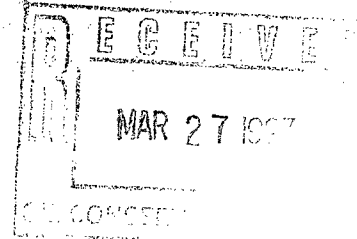




PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP
Permian Basin Region



NSP 4/16/97

March 25, 1997

Non-Standard Proration Unit
Sims, Well No. 10
Tubb Oil and Gas Pool
Lea County, New Mexico

State of New Mexico
Energy, Minerals, & Natural Resources Dept.
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87504

Attention: Michael Stogner, P. E.

NSP-TUBB.1

Gentlemen:

Phillips Petroleum Company respectfully requests administrative approval for a non-standard proration unit for the Phillips operated Sims, Well No. 10. This well is completed in the Tubb Oil and Gas Pool, Lea county, New Mexico. This request is due to the Phillips operated Sims, Well No. 3 being re-classified from a gas well to an oil well per a recent test. Both well No. 10 and Well No. 3 shared a common proration unit which was described as the NW/4, 160 acres, of Section 24, T-22-S, R-37-E, Lea County.

With the re-classification of the Sims, Well No. 3 to an oil well and having to dedicate 40 acres to said well, it became necessary to dedicate 120 acres to Sims, Well No. 10. The appropriate plats, Form C-102, are attached.

Copies of this request have been provided to the Hobbs District Office and all offset operators to non-standard proration unit (list attached). if you need any additional information, please contact me at the letterhead address or telephone (915) 368-1488.

Sincerely,

L. M. Sanders,
Senior Regulations Analyst

LMS:jha

cc: Hobbs District Office
Offset Operators - List Attached



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP
Permian Basin Region

March 25, 1997

OFFSET OPERATORS

**Sims, Well No. 10
Non-Standard Proration Unit
Lea County, New Mexico**

**Hendrix, John H., Corporation
P. O. Box 3040
Midland, Texas 79702-3040**

**Cross Timbers Operating Company
P. O. Box 50847
Midland, Texas 79705**

**Marathon Oil Company
P. O. Box 552
Midland, Texas 79702**

**American Internal Energy Corporation
5701 Woodway, Suite 333
Houston, Texas 77057**

**The Allar Company
P. O. Box 1657
Graham, Texas 76450-1567**

LMS:jha

attachment (1)

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-28310		2 Pool Code 60240		3 Pool Name Tubb Oil and Gas Pool	
4 Property Code 009143		5 Property Name Sims			6 Well Number 10
7 OGRID No. 017643		8 Operator Name Phillips Petroleum Company			9 Elevation 3317.5' Gr.

10 Surface Location

UL or lot no. E	Section 24	Township 22-S	Range 37-E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 550	East/West line West	County Lea
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11 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
12 Dedicated Acres 120	13 Joint or Infill Y	14 Consolidation Code		15 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

						<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>L. M. Sanders</i> Signature L. M. Sanders Printed Name Sr. Regulations Analyst Title 3/25/97 Date</p>	
<p>18 SURVEYOR CERTIFICATION</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 belief.</p> <p>Date of Survey Signature and Seal of Professional Surveyer: Certificate Number</p>							

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-10445		2 Pool Code 60240		3 Pool Name Tubb Oil and Gas Pool	
4 Property Code 009143		5 Property Name Sims			6 Well Number 3
7 OGRID No. 017643		8 Operator Name Phillips Petroleum Company			9 Elevation 3334.5' RKB

10 Surface Location

UL or lot no. F	Section 24	Township 22-S	Range 37-E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 1980	East/West line West	County Lea
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11 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
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12 Dedicated Acres 40	13 Joint or Infill N	14 Consolidation Code	15 Order No.
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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

16					17 OPERATOR CERTIFICATION				
					<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>L. M. Sanders</i> Signature L. M. Sanders Printed Name Sr. Regulations Analyst Title 3/25/97 Date</p>				
					18 SURVEYOR CERTIFICATION				
					<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 belief.</p> <p>Date of Survey Signature and Seal of Professional Surveyer:</p>				
					Certificate Number				



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

4/4/97

NSP-1775
POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

GOVERNOR

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:

Phillips Petroleum Co	Sims	#3-F	24-22-37
Operator	Lease & Well No.	Unit	S-T-R
		#10-E	24-22-37

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

December 13, 1993

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ANITA LOCKWOOD
CABINET SECRETARY

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762

Attention: Larry M. Sanders

Administrative Order NSL-3336(SD)

Dear Mr. Sanders:

Reference is made to your application dated November 18, 1993, for an unorthodox Tubb gas well location in an existing standard 160-acre gas spacing and proration unit (GPU) for said Tubb Oil and Gas Pool comprising the NW/4 of Section 24, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU presently has dedicated to it the Sims Well No. 3 located at a standard gas well location 1980 feet from the North and West lines (Unit F) of said Section 24.

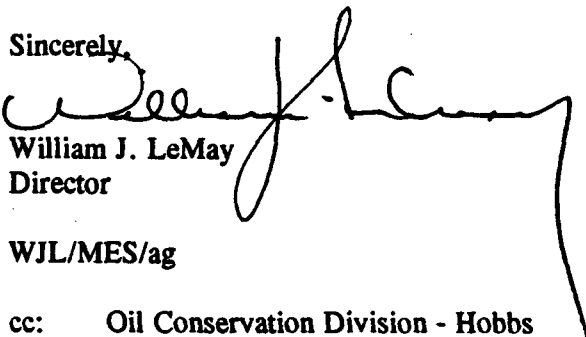
It is our understanding that the subject well in this application is currently completed in the Wantz Granite Wash Pool at a standard oil well location 1980 feet from the North line and 550 feet from the West line (Unit E) of said Section 24. Further, it is our understanding that the Granite Wash zone will be properly plugged back off and said well will be recompleted to the Tubb interval, which pursuant to the Special Rules and Regulations for the Tubb Oil and Gas Pool, as promulgated by Division Order No. R-8170, as amended, is an unorthodox gas well.

By authority granted me under the provisions of Rule 2(c) of said Special Rules and Regulations, the following described well located at an unorthodox gas well location is hereby approved:

*Sims Well No. 10
1980' FNL - 550' FWL (Unit E)*

Also, you are hereby authorized to simultaneously dedicate Tubb Gas production from the Sims Well No. 3 with the Sims Well No. 10. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both of said wells in any proportion.

Sincerely,


William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs