

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



192

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Signature

Title

Date

e-mail Address

FAX

Texland Petroleum, L.P.
777 Main Street #3200
Ft. Worth, Texas 76102
(817) 336-2751 ext 233
Fax: (817) 900-1294

TO: David Catonach

FROM: Wickie Smith

DATE: 7-20-05

of pages including cover sheet: 8

COMMENTS:

Original will be mailed & a copy to
Hobbs and District I. If any questions
please give me a call.

Thanks
Wickie

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave. Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Texland Petroleum-Hobbs, LLC
OPERATOR ADDRESS: 777 Main Street, Suite 3200, Fort Worth, Texas 76102
APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☒ Fee ☐ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☐ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☐ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify) _____
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved _____

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify) _____

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and B.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attach sheets with the following information

- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners. Attached

(E) ADDITIONAL INFORMATION (for all application types)

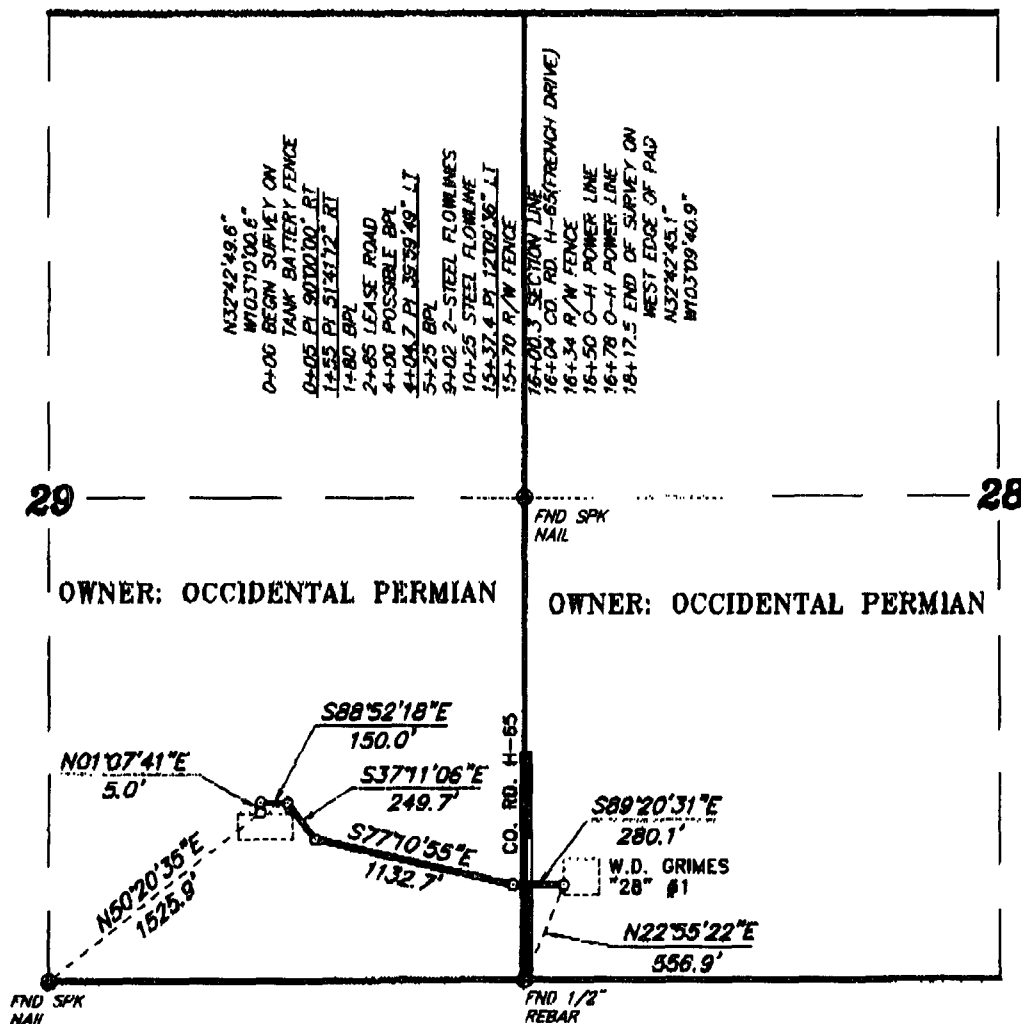
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Vickie Smith TITLE: Production Analyst DATE: 7/14/05
TYPE OR PRINT NAME Vickie Smith TELEPHONE NO.: 817-336-2751
E-MAIL ADDRESS: vsmith@texpetro.com

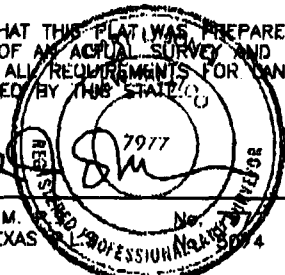
SECTIONS 28&29, TOWNSHIP 18 SOUTH, RANGE 38 EAST, LEA COUNTY, NEW MEXICO.



I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THE STATE OF TEXAS.

GARY L. JONES

N.M.
TEXAS



1000

0

1000

2000 FEET

TEXLAND PETROLEUM INC.

REF: PROPOSED INJECTION LINE TO THE W.D. GRIMES "28" #1

A PIPELINE CROSSING FEE LAND IN
SECTIONS 28&29, TOWNSHIP 18 SOUTH, RANGE 38 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786--HOBBS, NEW MEXICO

W.O. Number: 5532

Drawn By: K. GOAD

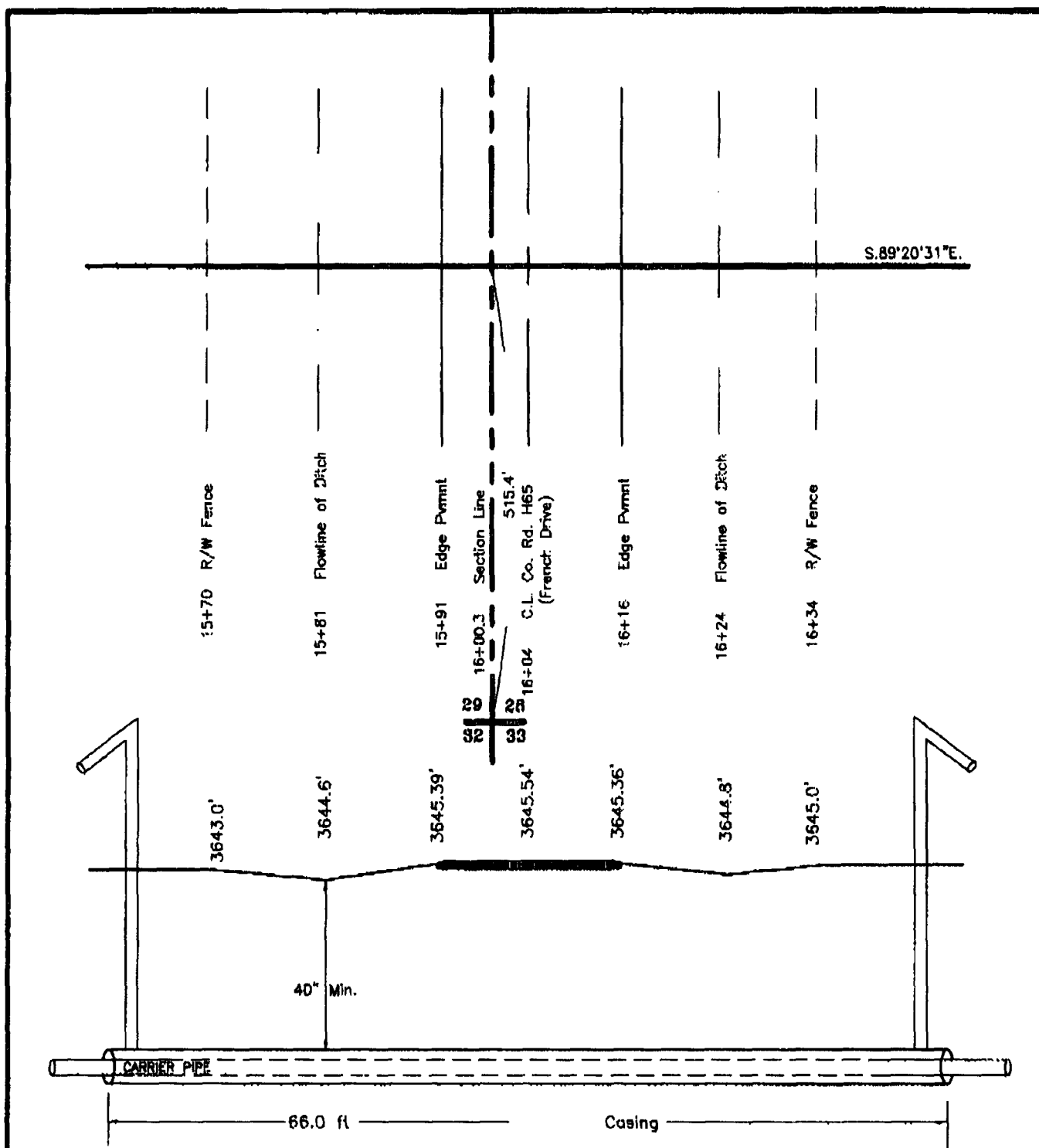
Date: 06-22-2005

Disk: KJC CD#5

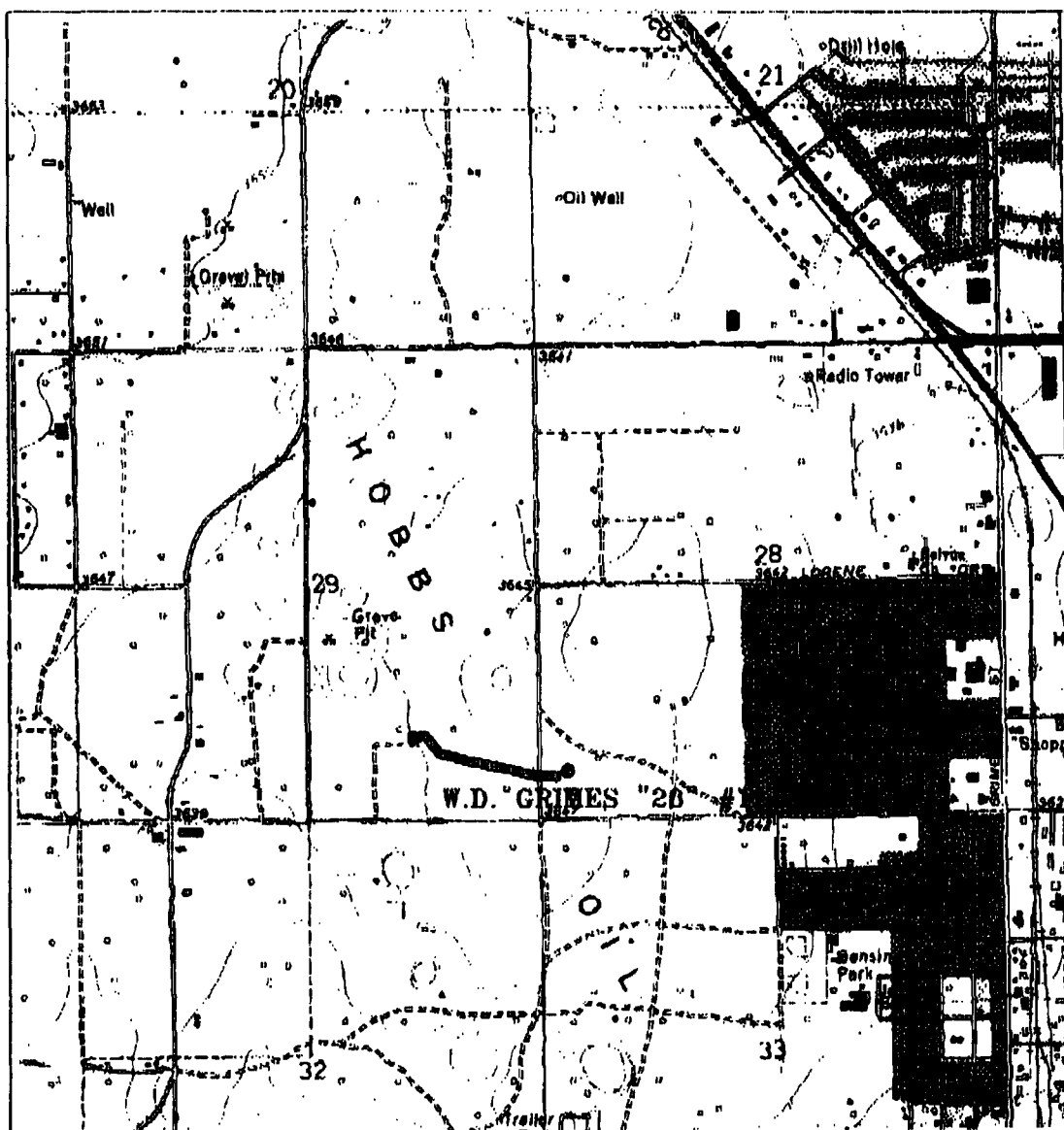
- 1EX5532A.DWG

Survey Date: 06-21-2005

Sheet 1 of 1 Sheets



	Carrier Pipe	Casing Pipe	PROPOSED CROSSING OF MAHAN DRIVE
Contents			TEXLAND PETROLEUM
O.D.			REF: PROP. INJECTION LINE TO THE W.D. GRIMES "28" #1
I.D.			A ROAD CROSSING LOCATED IN
Material			SECTIONS 28&29, TOWNSHIP 18 SOUTH, RANGE 38 EAST,
W.T.			N.M.P.M., LEA COUNTY, NEW MEXICO.
Grade			



PROPOSED PIPELINE TO THE W.D. GRIMES "28" #1
 Sections 28&29, Township 18 South, Range 38 East,
 N.M.P.M., Lea County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88741
 (505) 395-7516 - Office
 (505) 392-3074 - Fax
 basin-surveys.com

W.D. Number: 56527AA - KJC CD#4

Survey Date: 06-20-2005

Scale: 1" = 2000'

Date: 06-22-2005

TEXLAND
PETROLEUM INC.

TEXLAND PETROLEUM, INC.

EXPLORATION AND PRODUCTION

777 MAIN STREET, SUITE 9200

FORT WORTH, TEXAS 76102

AREA 817 938 0751

July 14, 2005

Re: Consent for Off Lease Storage for:
Grimes 28 #1
Sec. 28, T18S, R38E
Lea County, New Mexico

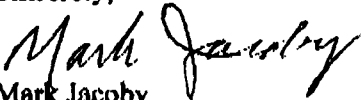
30-025-37191

To Working Interest Owners:

This notice is a formal request for consent to store off lease oil production from the above captioned well. A flow line will be laid from the Grimes 28#1 well bore to the State 1-29 Battery Facility located in Sec. 29. Production will be stored separately in two 500 gallon tanks. Measurement and sales of the oil will take place at this facility. Approximately 1817.5 ft of flow line will be laid. The intended flow line has been surveyed and a copy is enclosed for your records.

If you have any questions please do not hesitate to contact us.

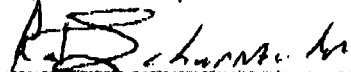
Sincerely,



Mark Jacoby
Petroleum Engineer

The undersign hereby agrees to the operation described above:

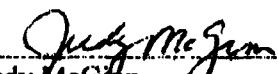
Schumacher Partners II LP
Schumacher TPI, Inc.



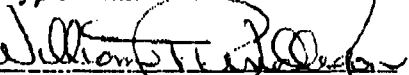
Robert J. Schumacher



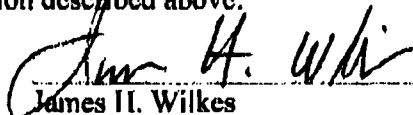
Keith W. Davis




Judy McGinn



William F. Pendleton



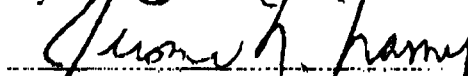
James H. Wilkes



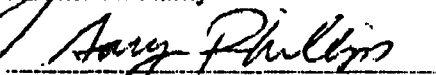
M.E. Chapman



Bryan E. Lee



Jerome N. Namy



Gary Phillips

TEXLAND PETROLEUM, INC.

EXPLORATION AND PRODUCTION

777 MAIN STREET, SUITE 3200

FORT WORTH, TEXAS 76102

AREA 817838E/01

July 14, 2004

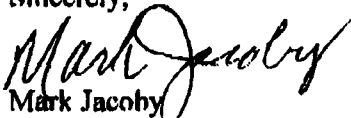
Re: Consent for Off Lease Storage for:
Grimes 28 #1
Sec. 28, T18S, R38E
Lea County, New Mexico

To Working Interest Owners:

This notice is a formal request for consent to store off lease oil production from the above captioned well. A flow line will be laid from the Grimes 28#1 well bore to the State 1-29 Battery Facility located in Sec. 29. Production will be stored separately in two 500 gallon tanks. Measurement and sales of the oil will take place at this facility. Approximately 1817.5 ft of flow line will be laid. The intended flow line has been surveyed and a copy is enclosed for your records.

If you have any questions please do not hesitate to contact us.

Sincerely,



Mark Jacoby
Petroleum Engineer

The undersign hereby agrees to the operation described above:

Rector Oil LTD.


Andy Rector

Jul-19-2005 13:20 From:APACHE PRODUCTION DEPT

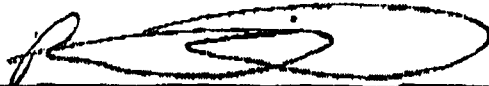
+19104914980

T-188 P.002/002 F-386

July 15, 2005**Texland Petroleum - Hobbs, L.L.C.**

Apache Corporation is in approval of Texland Petroleum operated leases in the Hobbs Upper Blinbry Pool Cooperative Waterflood be allowed a total project allowable. Apache operates the State "A" 80 acre lease, the N/2 NE/4, which is included in the project area of this Cooperative Waterflood.

This will allow compliance of Articles Nos. 13 & 14 of Case No. 12666 in Order No. R-11638 written by the OCD giving approval of this Cooperative Waterflood. These two articles discuss recovery of additional reserves by Waterflood which would not be otherwise recovered and preventing waste without violating correlative rights.

APPROVED:

Mr. Rick Crist
Apache Corporation

TRANSACTION REPORT

P. 01

JUL-20-2005 WED 08:37 AM

FOR:

RECEIVE

DATE	START	SENDER	RX TIME	PAGES	TYPE	NOTE	M#	DP
JUL-20	08:34 AM	817 9001294	2' 34"	8	RECEIVE	OK		

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-025-27191 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> State Oil & Gas Lease No.
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL OVER BACK RESVR. <input type="checkbox"/> OTHER		7. Lease Name or Unit Agreement Name W.D. Grimes 28
2. Name of Operator Texland Petroleum-Hobbs, LLC		8. Well No. #1
3. Address of Operator 777 Main Street, Suite 3200, Fort Worth, TX 76102		9. Pool name or Wildcat Hobbs, Upper Blinbry
4. Well Location Unit Letter <u>M</u> : <u>520</u> Feet From The <u>South</u> Line and <u>330</u> Feet From The <u>West</u> Line Section <u>28</u> Township <u>18S</u> Range <u>38E</u> NMPM Lea County		
10. Date Spudded 5/29/05	11. Date T.D. Reached 6/12/05	12. Date Compl. (Ready to Prod.) 7/11/05
13. Elevations (DF& RKB, RT, GR, etc.) 3645' GR		14. Elev. Casinghead
15. Total Depth 6050'	16. Plug Back T.D. 6040'	17. If Multiple Compl. How Many Zones?
18. Intervals Drilled By Rotary Tools Rotary		Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name 5897-5944; Blinbry		20. Was Directional Survey Made yes
21. Type Electric and Other Logs Run CN/GR		22. Was Well Cored No
23. CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
8 5/8"	24#	1550'
5 1/2"	15.5 & 17#	6050'
24. LINER RECORD		
SIZE	TOP	BOTTOM
SACKS CEMENT	SCREEN	TUBING RECORD
SIZE	DEPTH SET	PACKER SET
2 7/8"	5890'	n/a
26. Perforation record (interval, size, and number) 5897, 5908, 10, 17, 19, 21, 25, 29, 35, 37, & 5944'; 22 holes 2 spf		
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL 5897-5944' AMOUNT AND KIND MATERIAL USED acidz w/2350 gals 15% NEEF		
28. PRODUCTION		
Date First Production 7/11/05	Production Method (Flowing, gas lift, pumping - Size and type pump) pumping	Well Status (Prod. or Shut-in) producing
Date of Test 7/16/05	Hours Tested 24 hrs	Choke Size open
Flow Tubing Press. 60#	Casing Pressure 50#	Calculated 24-Hour Rate
Oil - Bbl 438	Gas - MCF 32	Water - Bbl 732
Oil Gravity - API - (Corr.) 40.0		
29. Disposition of Gas (Sold, used for fuel, vented, etc.) flaring; w/o connection		Test Witnessed By Kirk Jackson
30. List Attachments C-104, deviation survey, E-logs		
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief Signature <u>Vickie Smith</u> Printed Name <u>Vickie Smith</u> Title <u>Production Analyst</u> Date <u>7/20/95</u>		