

*JWA
NSL-54
issue upon receipt of
waivers or 30 day after
offsets have been notified*

J. C. WILLIAMSON
626 VAUGHN BUILDING
MIDLAND, TEXAS 79701

February 29, 1972

Re: Penroc Oil Corp. #1 Dero-Federal
660 from South and 660 from East
of Section 35, T19S, R28E, Eddy
County, New Mexico

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

RECEIVED

Attention: Mr. A. L. Porter, Jr.

FEB - 1 1972

Gentlemen:

Oil Conservation Commission
SANTA FE

Penroc Oil Corp., P.O. Drawer 831, Midland, Texas 79701, plans to re-enter and drill the D. W. Underwood #1 Lemann (Present total depth 1100' with 13-3/8" casing set at 350') to a depth to test the Morrow Sand or to around 12,000 feet. This well is located 660' from the South and 660' from East of the Section and for a Morrow well requires a Non-Standard location.

We are putting together three Federal Leases to make a 320-acre unit of the S $\frac{1}{2}$ of Section 35, T19S, R28E, Eddy County.

These leases must be unitized and a well started before April 30, 1972, and time is very much pressing. Would you please let us know if this location will be approved by you at your very earliest convenience. Would you please address your correspondence to J. C. Williamson, Box 16, Midland, Texas 79701.

Respectfully submitted.

Very truly yours,

J. C. Williamson
J. C. WILLIAMSON

JCW:DA

Enclosure: Plat of proposed venture

cc: Penroc Oil Corp.
Box 831
Midland, Texas 79701

Attention: Mr. Brace

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.

RECEIVED
APR 28 1972
OIL CONSERVATION COMMISSION
SANTA FE

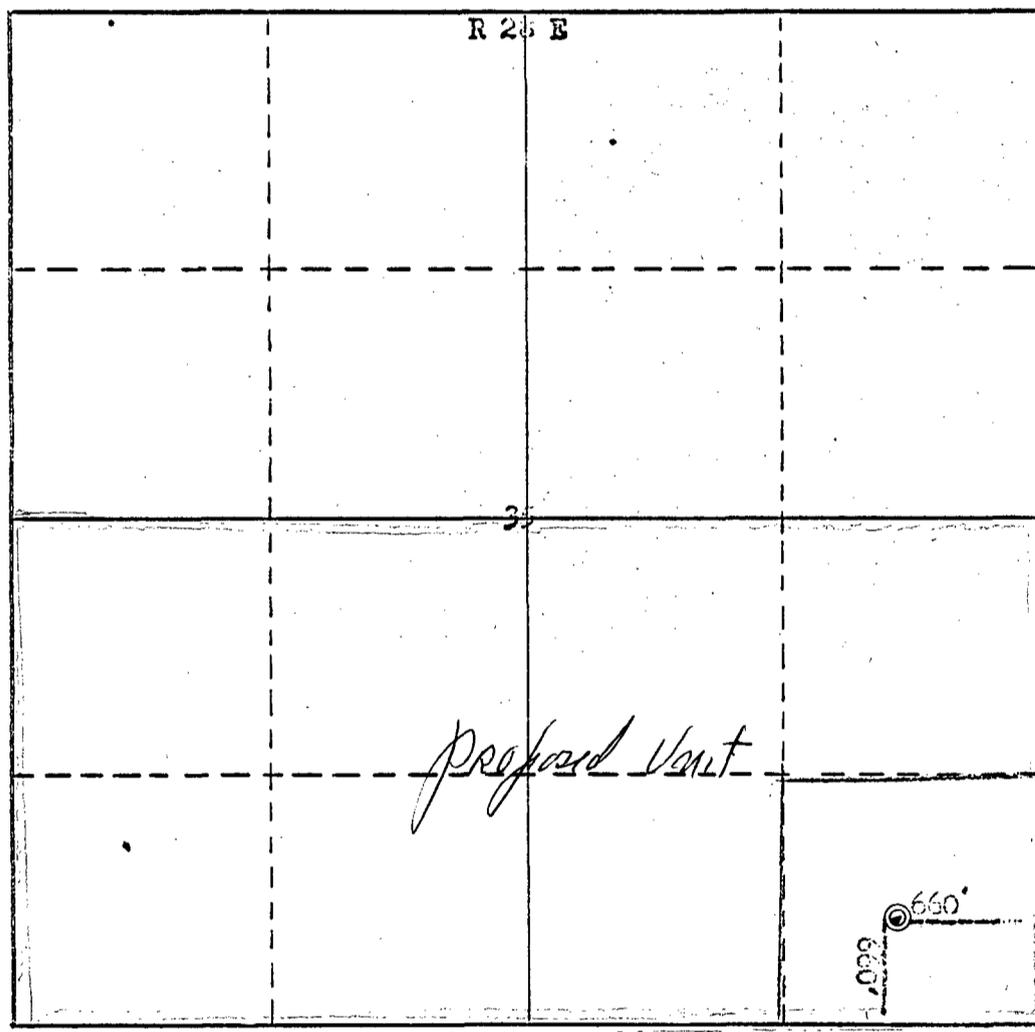
Operator D.W. Underwood		Lease Federal		Well No. D	
Unit Letter P	Section 35	Township 19 S	Range 28 E	County Rddy	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the East line					
Ground Level Elev: 3285	Producing Formation	Pool	Dedicated Acreage: 1.0 Acres		

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.

Name: *D.W. Underwood*
 Position: _____
 Company: _____
 Date: APR 28 1970

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: _____
 Registered Professional Engineer and/or Land Surveyor: *J. H. Brown*
 Certificate No. 512

*plot of offsets
waives or
notices*

PENROC Oil Corporation

P. O. DRAWER 831 • MIDLAND, TEXAS • 79701

Telephone (915) 683-1861

RECEIVED

MAR 16 1972

March 13, 1972

Oil CONSERVATION COMM:
SANTA FE

Re: Penroc Oil Corporation
Dero-Federal No. 1
Sec. 35-19S-28E
Eddy County, New Mexico

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

Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Gentlemen;

Penroc Oil Corporation proposes to re-enter the D. W. Underwood Lemann-Federal No. 1 drilled at a location 660' from the South and East lines of Section 35, 19 South, 28 East, Eddy County, New Mexico to a total depth of 1100 feet and temporarily abandoned June 5, 1970 and deepen said well to a depth to test the Morrow Sand at approximately 12,000 feet. The Penroc re-entry will be known as the Dero-Federal No. 1

The South-half of Section 35-19S-28E will be unitized to form a 320 acre drilling unit.

The 660' location of the Lemann-Federal No. 1 does not conform to the Commissions Rule 104 for a well to this depth on a 320 acre drilling unit and we respectfully request administrative approval of this drill site. For your consideration we enclose the following:

- a. Letters of consent from offset operators,
- b. USGS Form 9-331C, Application for Permit to Deepen,

New Mexico Oil Conservation Commission

March 13, 1972

- c. Form C-102, Well Location and Acreage
Dedication Plat (Amended)
- d. Form C-102, Lemann-Federal No. 1
- e. Leasehold ownership plat.

If there is futher information needed we would appreciate hearing from you at your earliest convenience.

Very truly yours,

Penroc Oil Corporation



H. B. Wigzell

PENROC Oil Corporation

P. O. DRAWER 831 • MIDLAND, TEXAS • 79701

Telephone (915) 683-1861

March 3, 1972

Re: NM-116, Sec. 35-19S-28E
Eddy County, New Mexico

Certified - Return Receipt Requested

Mr. D. L. Hannifin
J. P. White Building
Roswell, New Mexico 88201

Dear Mr. Hannifin:

Penroc Oil Corporation intends to re-enter the D. W. Underwood Lemann-Federal No. 1 drilled at a location 660 feet from the South and East lines of Section 35, Township 19 South, Range 28 East, Eddy County, New Mexico and deepen said well to a depth of approximately 12,000 feet.

This well will be drilled as the Penroc Dero-Federal No. 1, on a designated drilling tract of 320 acres described as the S/2 of Section 35-19S-28E.

The 660 foot location of the Lemann-Federal #1 well does not conform to the Oil and Gas Conservation Commission's Rule 104 requiring a location of 660 feet from the nearest side boundary and 1980 feet from the nearest end boundary of a drilling tract designated for a deep wildcat gas test.

However, since drilling operations will be to deepen a previously drilled well, we respectfully request that the offset operators consent to the nonstandard location and waive notice of hearing as required by the Commission's rules.

Please indicate your consent in the space provided below.

Very truly yours,

PENROC OIL CORPORATION

By H. Bruce Niggell

APPROVED THIS 3rd DAY
OF MARCH, 1972.

D. L. HANNIFIN

By D. L. Hannifin

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

5. LEASE DESIGNATION AND SERIAL NO.
NM-092190

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Dero-Federal

8. FARM OR LEASE NAME
Dero-Federal

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 35-19S-28E

12. COUNTY OR PARISH
Eddy

13. STATE
N. Mex.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Penroc Oil Corporation

3. ADDRESS OF OPERATOR
 P. O. Drawer 831, Midland, Texas 79701

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At surface 660' EL & 660' SL of Sec. 35, T-19-S, R-28-E
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 15 miles NNE of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. line, if any)
 660'

16. NO. OF ACRES IN LEASE
 320

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 None

19. PROPOSED DEPTH
 12,000'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3285' GR

22. APPROX. DATE WORK WILL START*
 April 30 1972

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/4"	13-3/8"	48#	350'	250 sx.
11-3/4"	8-5/8"	24# & 32#	3000'	300 sx

- To form 320 acre drilling unit described as the S/2 Sec. 35-19S-28E and deepen the D. W. Underwood Lemann-Federal No. 1 now designated the Penroc Dero-Federal No. 1 to a depth sufficient to test the Morrow Sand formation at approximately 12,000 feet. The drilling Unit to include Federal leases NM-09219, 0256130 and 0473362.
- The Underwood Lemann-Federal No. 1, temporarily abandoned 6-5-70, no productive zones, 13-3/8" casing set and cemented at 350'.
- Qualifications of Penroc filed in Case File LC-063245 A&B, BLM, Santa Fe.

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED H. B. Niggell TITLE Secretary-Treasurer DATE March 10, 1972

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
 WELL LOCATION AND ACREAGE DEDICATION PLAT (AMENDED)

Form C-102
 Supersedes C-128
 Effective 1-4-65

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

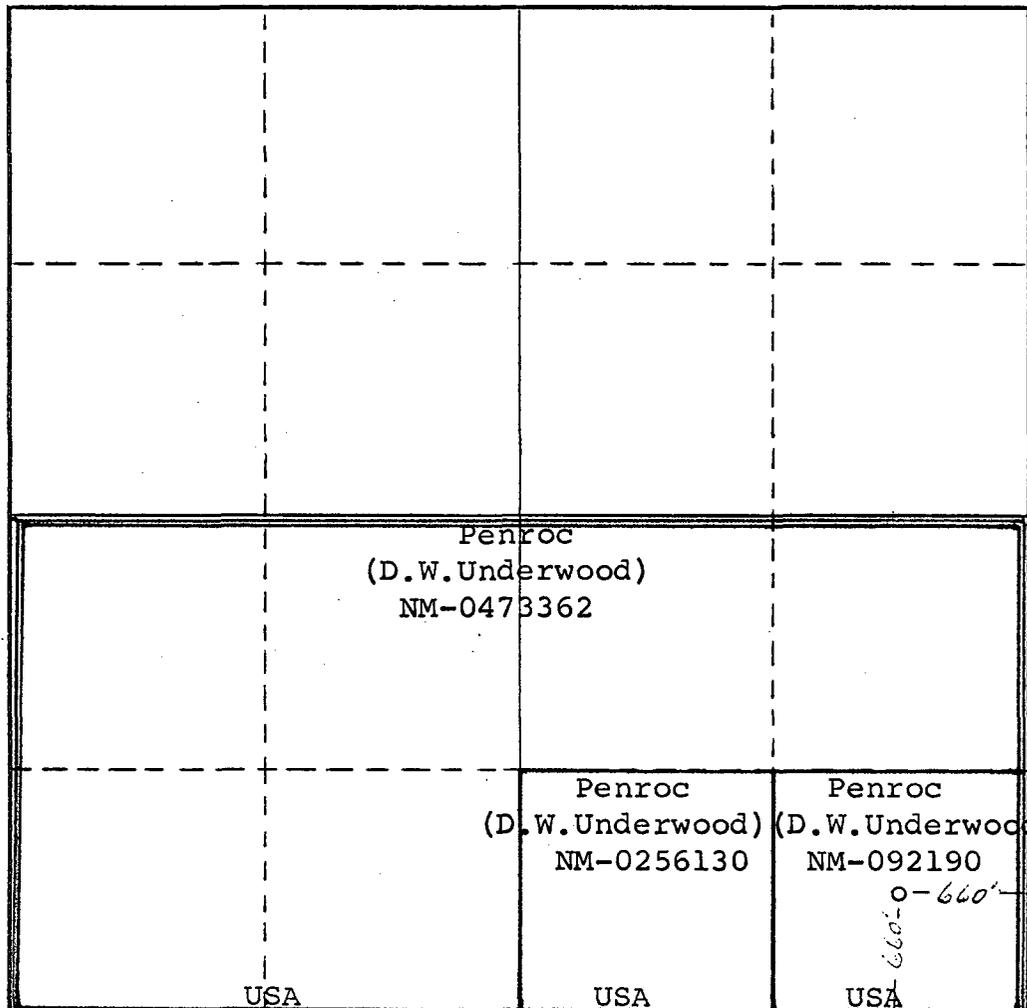
Operator Penroc Oil Corporation		Lease Dero-Federal			Well No. 1
Unit Letter P	Section 35	Township 19 South	Range 28 East	County Eddy	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the East line					
Ground Level Elev: 3285'	Producing Formation	Pool	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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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.

Name H. B. Higzell
 Position Secretary-Treasurer
 Company Penroc Oil Corporation
 Date March 13, 1972

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 _____
 Registered Professional Engineer and/or Land Surveyor

Certificate No. _____



27

26

25

T-19-S, R-28-E

D.W. UNDERWOOD

D.W. UNDERWOOD

SHELL & HUMBLE

0473362

0473362

E-5073

34

35

36

TD 2509

TD 1885'

2-A
TD 4874

ROBINSON BROS.
R/s. to 10480'

UNDERWOOD
0256130

UNDERWOOD
092190

Lemann-1
Fed.

USA

USA

USA

USA

Strong-St. 1-A

STATE

2'

4'

3'

2'

1'

4'

3'

D.L. HANNIFIN ✓

J.C. WILLIAMSON

(SHELL)

9818

K-3090

J.C. WILLIAMSON

J.C. WILLIAMSON
K-6598

0560292

3

2

1

WILLIAMSON
K-6598

USA

STATE

USA

T-20-S, R-28-E

10

11

LEASEHOLD OWNERSHIP
Penroc Dero-Federal No. 1
S/2 Sec. 35-19S-28E
Eddy County, New Mexico