KIMBELL OIL COMPANY

P. O. BOX 1097

FARMINGTON, NEW MEXICO 87401

505 - 825-8889

October 11, 1979

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

Subject: Request for Administrative Approval of Non-Standard Location.

Gentlemen:

It was our desire to drill a Chacra-Pictured Cliffs dual completed gas well at a point 790' FNL & 790' FWL of Section 26, T25N, R6W. We considered this the most desirable standard location due to the close proximity of the Kimbell Oil Company Salazar No. 1 located 1450' FSL & 1450' FEL of Section 22, T25N, R6W and which has been a very successful Chacra-Pictured Cliffs well. On surveying the location we found the point 790' FNEW lines to be located on the side of a canyon which would require considerable work and expense to build a location and further maintain and operate a well. We are requesting administrative approval of a location 640' FNL and 550' FWL of Section 26, T25N, R6W, which is more suitable terrain for drilling and operating.

There are several other points within the S_2 of the NW4 of Section 26 where the topography is suitable to drill; however, due to geological conditions, we believe a well drilled at these points would result in a poor producing well due to the following:

(1) An attempt was made to produce the Chacra sandstone in the Kimbell Oil Co. Salazar No. 3 located 1650' FNL & 990' FEL of Section 27, T25N, R6W. The Chacra produced 8265 MCF in 25 months and was subsequently squeeze cemented and plugged and the well completed in the Dakota formation from which it now produces.

(2) A comparison of the well logs on the Salazar No. 1 and Salazar No. 3 indicates Chacra formation geologic conditions for producing gas are much better in the Salazar No. 1.

For these reasons, we believe a better producing well can be drilled at the non-standard location in the NW4 of the NW4 of Section 26, closer to the Salazar No. 1, than in the $S_{\frac{1}{2}}$ of the NW $_{\frac{1}{4}}$, which would most likely compare with the Salazar No. 3.

Kimbell Oil Company operates all off-set wells to the non-standard location, therefore, no other operators would be affected.

In order for you to better consider this request, we are enclosing copies of the Chacra section of the well logs on the Salazar No.'s 1 and 3; C-102 forms and a topographic map of the area.

cc: (2) N. M. Oil Conserv. Comm. Aztec, N. M.

Kimbell Oil Company O'LL CONSERVATION DIVISION Clemen

SANTA FE E. A. Clement

Prod. Supt.

3 Encl.



STATE OF NEW MEXICO

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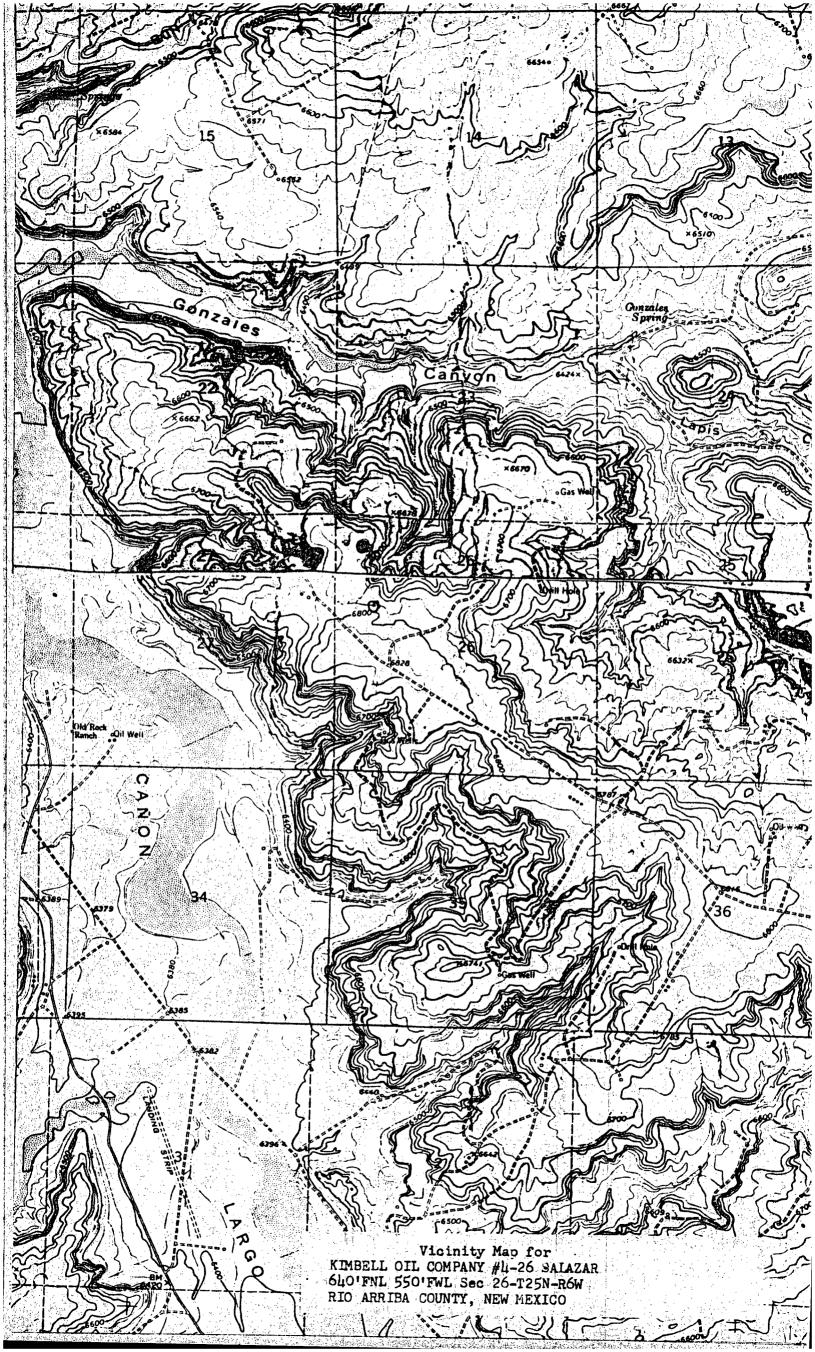
OIL CONSCRUATION DIVISION

H. D. HOX ZUBB

Certificate 3950

Keyfsed 10-1-78 SANTA FE NEW MEXICO 87501 IEHGY AND MINERALS LIET ARTMENT All distances must be from the cules houndaries of the Section Well No. Lease perglor 4-26 18.2000 SALAZAR County Unit Letter Section Township Range 25N 6W Rio Arriba Actual Factage Location of Well: West North 640 leet from the leet from the line and Undesignated Chacra Dedicated Acreage: Ground Level Elev. Producing Formation 6763 Blanco P.C. South 160 Pictured Cliffs-Chacra 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? If answer is "yes," type of consolidation Communitization X Yes 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 con-550! tained herein is true and complete to the best of my knowledge and belief. Ls. V. Salazar Ls. C.J. Warre B. A. Clement 82-080136 82-079139-A Position Prod. Supt. 5-1-48 12-1-51 Company Kimbell Oil Company 10-12-79 Sec. 26 I hereby certify that the well location shown on this plat was platted 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 Octobe and/or Lan Fred





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Kimbell 011 Co.

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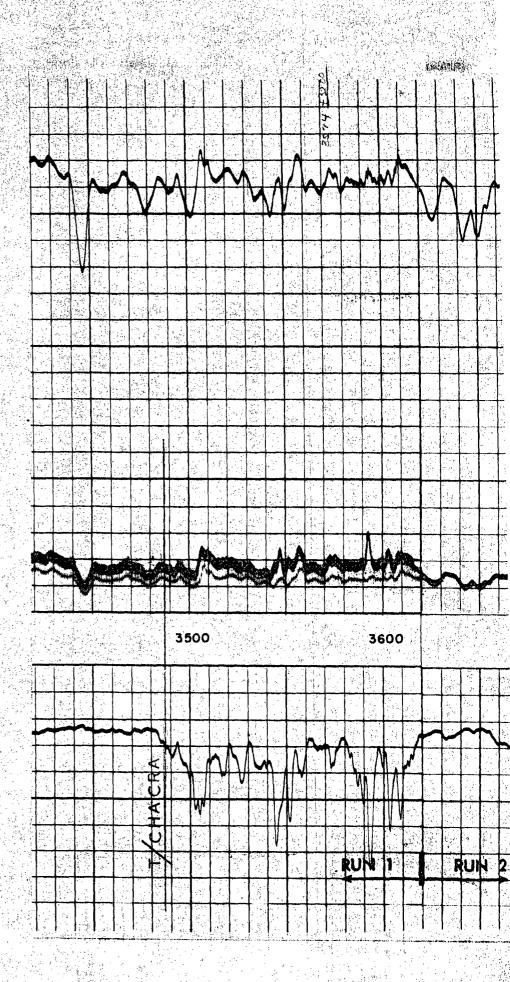
Kimbell Oil Co.

ATT NO MANY CONTRACTOR OF THE STATE OF

Salazar No. 3

1650' FNL & 990' FEL

Section 27, T25N, R6W

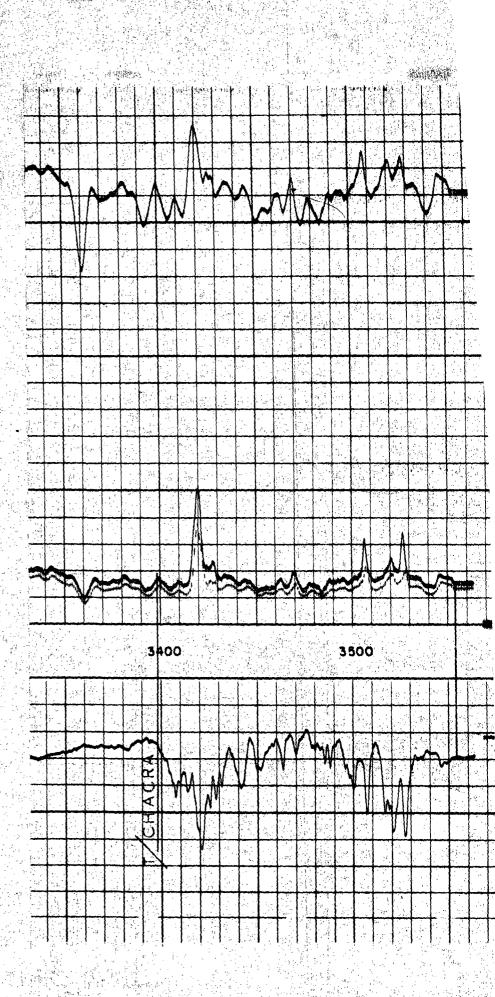


Kimbell Oil Co.

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Salazar No. 1 1450' FSL & 1450' FEL

Section 22, T25N, R6W



Kimbell Oil Co.

Salazar No. 3

1650' FNL & 990' FEL

Section 27, T25N, R6W

