

Grace Petroleum Corporation
Subsidiary of W. R. Grace & Co.

Midland District Office
925 Western United Life Building
Midland, Texas 79701

Phone (915) 683-4793
Mailing Address:
P. O. Drawer 2358
Midland, Texas 79702

October 13, 1981

State of New Mexico
Energy And Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention: R.L. Stamets
Technical Support Chief

Re: Application for Non-Standard
Location: W. Tonto "A" Fed. Com.
Well No. 1, Sec. 25, T-19-S,
R-32-E
Lea County, New Mexico

Dear Sir:

As requested in your memo of September 15, 1981 regarding the above well, Grace Petroleum Corporation is submitting plats prepared by the Federal Abstract Company of Santa Fe clearly showing the ownership of the offsetting leases. Leases immediately to the East and North are currently held by GPC.

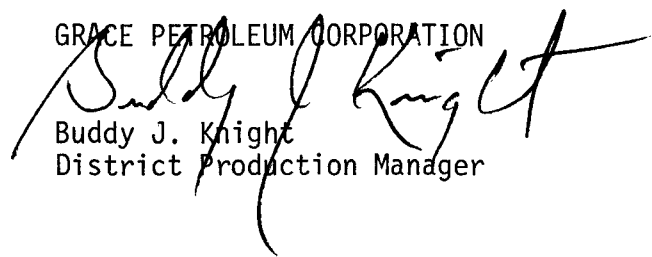
Attached is a listing of offset owners that are receiving a copy of this letter, a copy of the original application (9-9-81) for the unorthodox location, and a copy of the Archeological Clearance Report recommending the location be moved 500' north in order to avoid disturbing some burnt rocks. This information is being sent by Certified mail.

Also attached as requested is a copy of form C-102 showing the dedicated acreage (four copies previously furnished 9-9-81). GPC proposes the unorthodox location to cover the Bone Springs, Wolfcamp, Strawn, Atoka, and Morrow formations.

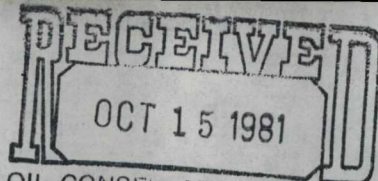
The USGS has approved the referenced location 9-21-81.

Yours very truly,

GRACE PETROLEUM CORPORATION


Buddy J. Knight
District Production Manager

BJK/sgp
XC: Well file w/attachments



FEDERAL ABSTRACT COMPANY
P. O. BOX 2288
SANTA FE, NEW MEXICO 87501

OIL CONSERVATION DIVISION
SANTA FE TWP. 19 S. RGE 32 E., N.M.P.M.

Lea COUNTY

RED - STATE LAND
BLUE - FEE LAND

DATE October 1, 1981

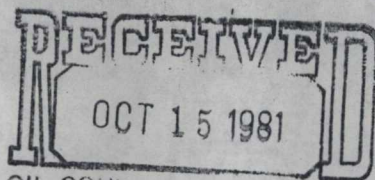
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Handwritten marks on the grid: A large 'X' is drawn over the bottom right corner, crossing out sections 23, 24, 25, 26, 35, and 36. The number '2' is handwritten in each of the four sections (23, 24, 25, 26) immediately to the left of the crossed-out area.

- NM 12412 Lease issued 11/1/1970, extended to 10/31/1982.
Lessee: Sun Oil Co, Box 2880, Dallas, TX
Overriding Royalty: Mary A. & Weston Sloan, RR 4,
Rushville, IN - 2%
Central Southwest Oil Corp, Box 2107,
Roswell, NM - 1%
Operating Rights: Lessee - All
- NM 39152 Drew #1, 11/14/1979. Offer rejected, KGS Lands.
Appeal filed 12/1/1980, appeal dismissed 3/9/1981
Jeanne R. Parkison, 110 Park Rd, Burlingame, CA

NM 43731 High bid, competitive sale held 12/16/1980.
On appeal.
Anadarko Production Co, Box 2497, Midland, TX

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SANTA FE, NEW MEXICO 87501

OIL CONSERVATION DIVISION
SANTA FE

19 S. RGE 32 E. N.M.P.M.

Lea COUNTY

RED - STATE LAND

DATE October 1, 1981

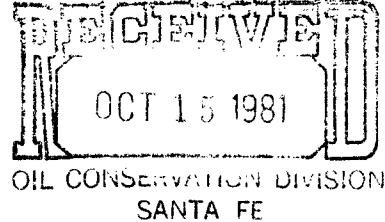
BLUE - FEE LAND

STATE OWNERSHIP

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	25	25
31	32	33	34	35	36
					3 3
					3 1 3
					2 3 3 3
					3 1 1 1

1. B-1482-3 Lease issued 11/26/1933, held by production.
Lessee: Cities Service Co, Box 300, Tulsa, OK
Overriding Royalty: None filed of record.
Operating Rights: None filed of record.
2. B-1565-2 Lease issued 11/20/1933, held by production.
Lessee: Getty Oil Co, Box 1404, Houston, TX
Overriding Royalty: None filed of record.
Operating Rights: None filed of record.
3. L-6691 Lease issued 10/1/1971, held by production.
Lessee: Union Oil Co. of CA, Box 3100, Midland, TX
Overriding Royalty: None filed of record.
Operating Rights: None filed of record.

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Com Well No. 1, Sec. 25,
T-19-S, R-32-E
Lea County, New Mexico

OFFSETTING LEASE OWNERSHIP

Federal Leases
NM 12412

Sun Oil Co.
Box 2880
Dallas, Texas 75221

NM 43731

Anadarko Production Co.
Box 2497
Midland, Texas 79702

State Leases
B-1482-3

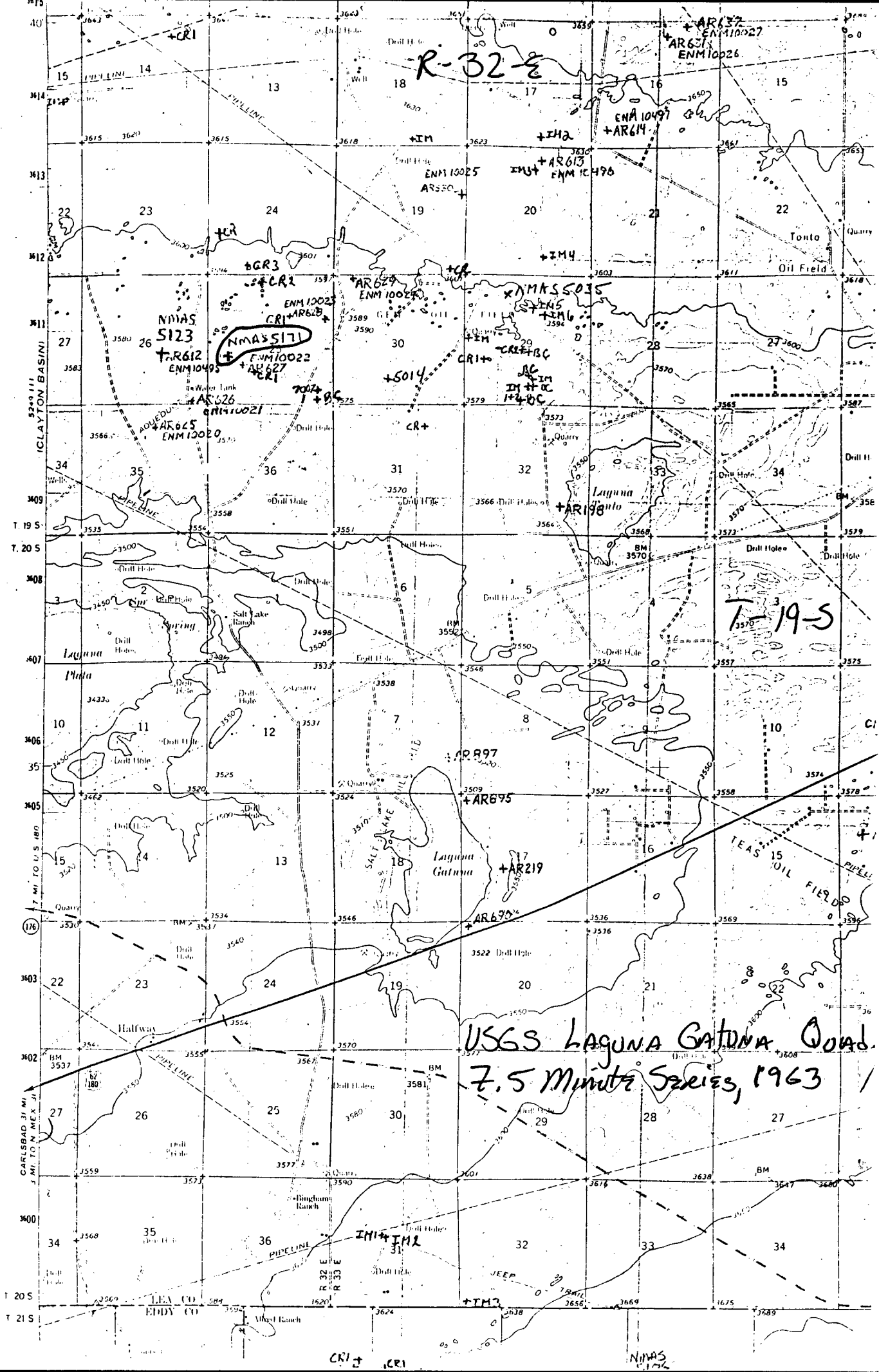
Cities Services Co.
Box 300
Tulsa, Oklahoma 74102

B-1565-2

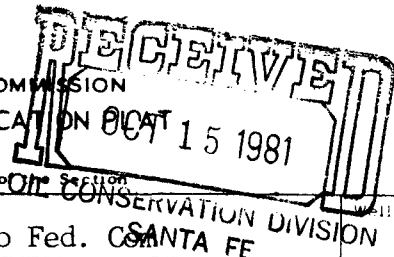
Getty Oil Co.
Box 1404
Houston, Texas 77001

L-6691

Union Oil Co. of CA
Box 3100
Midland, Texas 79702



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION



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

All distances must be from the outer boundaries of the Section

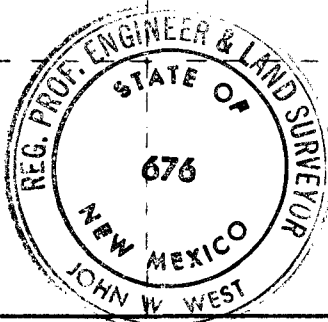
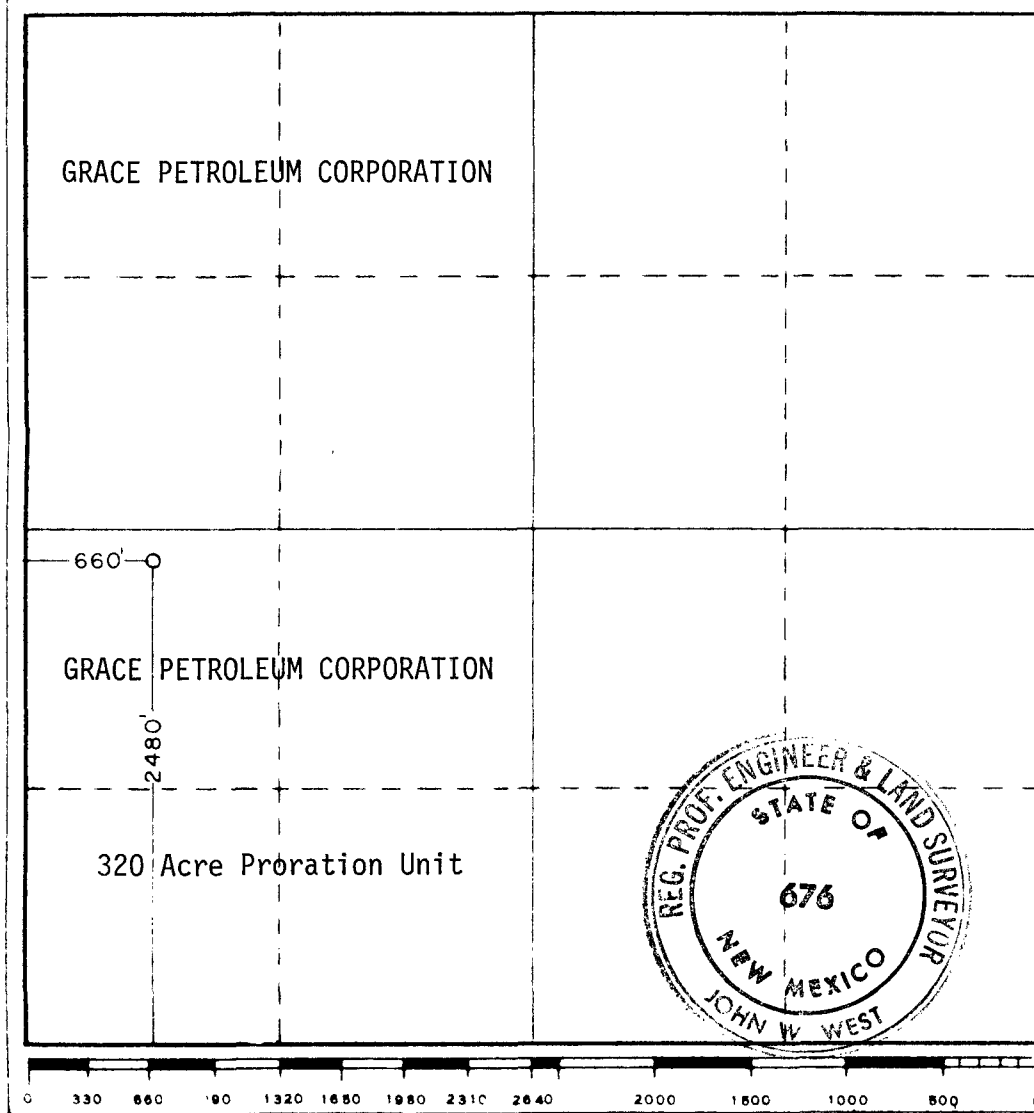
Operator Grace Petroleum Corporation			Lease West Tonto Fed. Com.			Well No. 2		
Unit Letter L	Section 25	Township 19South	Range 32East	County Lea Co.				
Actual Footage Location of Well: 2480 feet from the South line and 660 feet from the West line								
Ground Level Elev. 3582.6'	Producing Formation Morrow Sand		Pool Undesignated			Dedicated Acreage 320		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Communitization in progress

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.

Andy King
Name
District Production Manager
Position
Grace Petroleum Corporation
Company
August 27, 1981
Date

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
Aug. 24, 1981
Registered Professional Engineer and/or Land Surveyor
John W. West
Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6863
Ronald J. Eidson 3239

