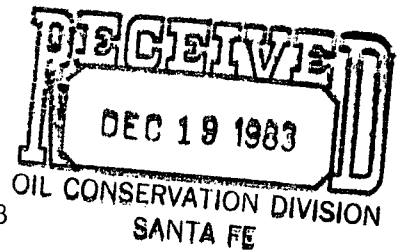


EXXON COMPANY, U.S.A.
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702

PRODUCTION DEPARTMENT
MIDCONTINENT DIVISION



December 14, 1983

Unorthodox Location Request
Panos Federal #1 1980' FNL 660' FEL
Section 1, T19S, R23E
Eddy County, New Mexico

Undesignated Antelope Sink pool
NSL - 1784
Immediate
Rule 104 FI
Federal

New Mexico Oil Conservation Commission
Attn: Mr. Joe Ramey
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Please grant administrative approval for an unorthodox location for the above well. The Panos Federal Com. #1 was completed May 5, 1982 as a Morrow gas well with a proration unit composed of the East half of Section 1.

Exxon proposes to plug back from the Morrow to the Upper Penn and to change the proration unit from the East half to the North half of Section 1. The well is located 1980' FNL and 660' FEL of Section 1, an unorthodox location for a North-half proration unit.

Attached are Form 9-331C, Application for Permit to Drill, Deepen or Plug Back, Form C-102, Well Location and Acreage Dedication Plat, a plat and a waiver showing the offset operators.

The offset operators are being notified by certified mail of the application to complete this well at an unorthodox location. If you as an offset operator have no objection to this application, we request that you execute the attached waivers. Please forward a copy to the New Mexico Oil Conservation Commission, P.O. Box 2088, Santa Fe, New Mexico 87501, and return a copy to this office.

The offset operators are:

Cities Service Co., P.O. Box 1919, Midland, Texas 79702

Superior Oil Co., Midland Exploration Division, P.O. Box 1900, Midland, Texas 79701

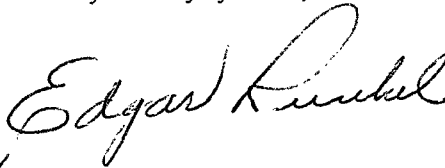
Texas Oil and Gas Corp., 900 Wilco Bldg., Midland, Texas 79701

Gulf Oil Corp., P.O. Box 1150, Midland, Texas 79702

Franklin, Aston & Fair Oil Co., P.O. Box 1756, Roswell, New Mexico 88201

Kaiser-Francis Oil Co., P.O. Box 35528, Tulsa, Oklahoma 74135

Very truly yours,


for Melba Knipling
Unit Head
NGPA and Permits

CH:cc
Attachments

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

Exxon Corporation

3. ADDRESS OF OPERATOR

P.O. Box 1600, Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)

At surface

1980' FNL & 660' FEL of Section

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

10 miles SE of Hope

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

660'

660'

16. NO. OF ACRES IN LEASE

723.49

17. NO. OF ACRES ASSIGNED

TO THIS WELL

320.22

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

None

19. PROPOSED DEPTH

7778'

20. ROTARY OR CABLE TOOLS

Rotary

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

3811' GR

22. APPROX. DATE WORK WILL START*

Upon Approval

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54#	322'	475 sx
12 1/2"	8 5/8"	32#	1709'	1250 sx
7 7/8"	5 1/2"	15.5, 17#	8612'	1115 sx

The above well was originally drilled to a total depth of 8700' and was completed as a Morrow gas well (7936-8008') on May 5, 1982. Exxon proposes plugging back to 7778'. The Upper Penn will be perforated from 6307-6458'.

Attached is the procedure for plugging back the Morrow formation and recompletion in the Upper Penn. Also attached are wellbore sketches. Approval to plug back was granted on 12-9-83 by P.W. Chester, BLM-Roswell. After approval, it was decided to change the proration unit from the east half to the north half. Since the location is irregular for a north-half proration unit, a request has been made to the NMOCC for an unorthodox location. A copy of that request and a corrected plat is attached.

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



TITLE Unit Head

DATE 12-14-83

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Exxon Lse. No. _____

NEW MEXICO OIL CONSERVATION COMMISSION

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

State Lse. No. _____

WELL LOCATION AND ACREAGE DEDICATION PLAT

Federal Lse. No. _____

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

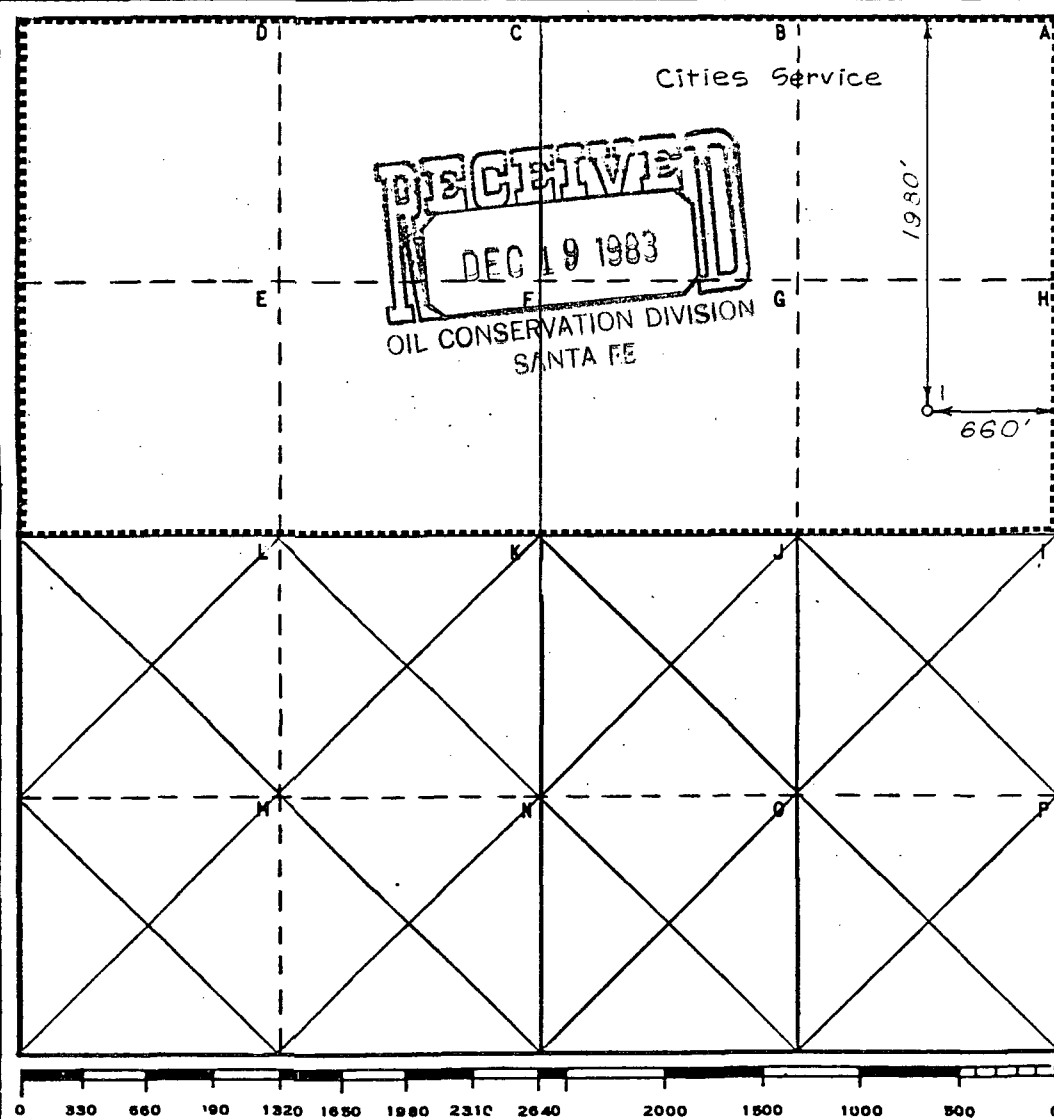
Operator Exxon Corporation		Lease Panos Federal		Well No. 1
Unit Letter H	Section 1	Township 19S	Range 23E	County Eddy
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the East line				
Ground Level Elev. 3811' ±	Producing Formation Upper Penn.	Pool Undesignated-Antelope Sink	Dedicated Acreage: 320.22 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.

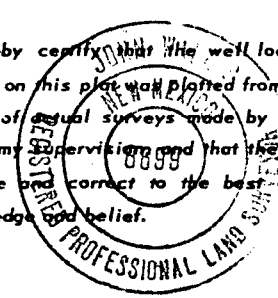


CERTIFICATION

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

Name Edgar Kunkel
Position Proration Specialist
Company Exxon Corporation
Box 1600 Midland, Texas
Date 12-14-83

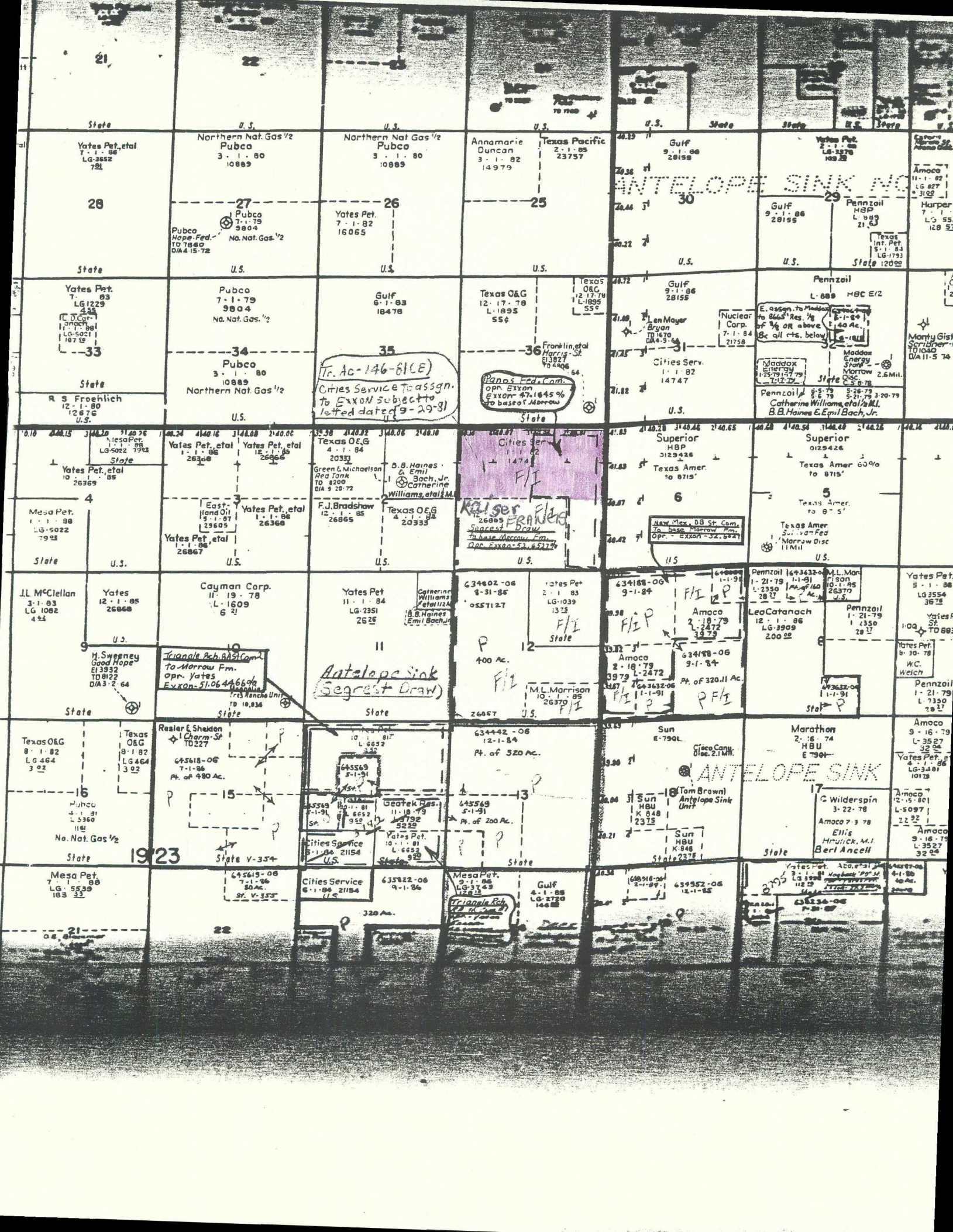
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.



Date Surveyed 11-4-81
Registered Professional Engineer and/or Land Surveyor
John Wallis
Certificate No. 8699

10 Miles SE of Hope, New Mexico

C.E. Sec. File No. A-7525



W A I V E R

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

Attention: Mr. Joe Ramey

Gentlemen:

This is to advise that the undersigned has been given due notice that Exxon Corporation has made application for an unorthodox location and non-standard proration unit for Panos Federal #1 in the Upper Penn formation.

We hereby waive any objection to the granting of this application for the above well to be located:

Panos Federal #1, 1980' FNL and 660' FEL of Section 1, T19S, R23E, Eddy County, New Mexico.

Executed this _____ day of _____, 1983.

Company _____

By _____