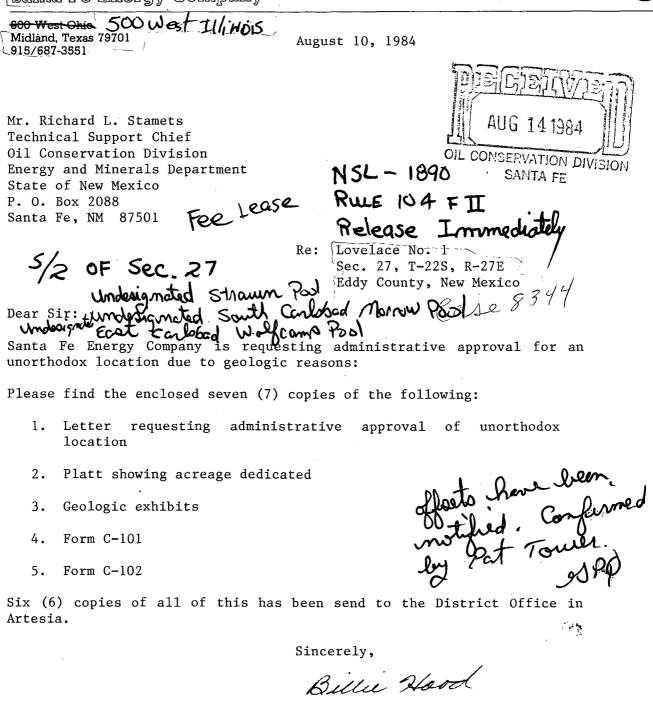
Santa Fe Energy Company



Billie Hood Senior Production Clerk

BH:dz-048

Enclosures

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500 West Ohio Midland, Texas 79701 915/687-3551

Mr. Richard L. Stamets Technical Support Chief Oil Conservation Division Energy and Minerals Department State of New Mexico Box 2088 Santa Fe, NM 87501

Case 8344

RE: Geologic Exhibits SFEC #1 Lovelace Eddy County, NM

Dear Mr. Stamets:

Santa Fe Energy Company, Exploration Department, is proposing an unorthodox location (1439' FSL, 1090' FWL) in Section 27-22S-27E, Eddy County, NM. Reasons for this location are as follows:

- 1. Isopaching of clean Strawn carbonate indicates the carbonate bank trends in a northeast-southwest direction.
- 2. Santa Fe Energy Co.'s proposed unorthodox location (1439' FSL, 1090' FWL Section 27-22S-27E) is structurally on strike to the Santa Fe Energy No. 1 Weems, a successful Strawn well just completed for 37 MMCFGPD. A legal location of 1980' FSL, 1980' FWL of Section 27-22S-27E, would according to SFE's interpretation, be structurally down dip and too near the effective porosity limit of the carbonate bank. (See map 1)
- 3. The proposed unorthodox location (1439' FSL, 1090' FWL Section 27-22S-27E) would also be in a more favorable position for Morrow sand development than would a legal location (See map 2)

The location Santa Fe Energy Company has proposed is the most logical one based upon knowledge of carbonate bank trends, good reservoir conditions, and production data in extending gas production to the southeast in the South Carlsbad Field.

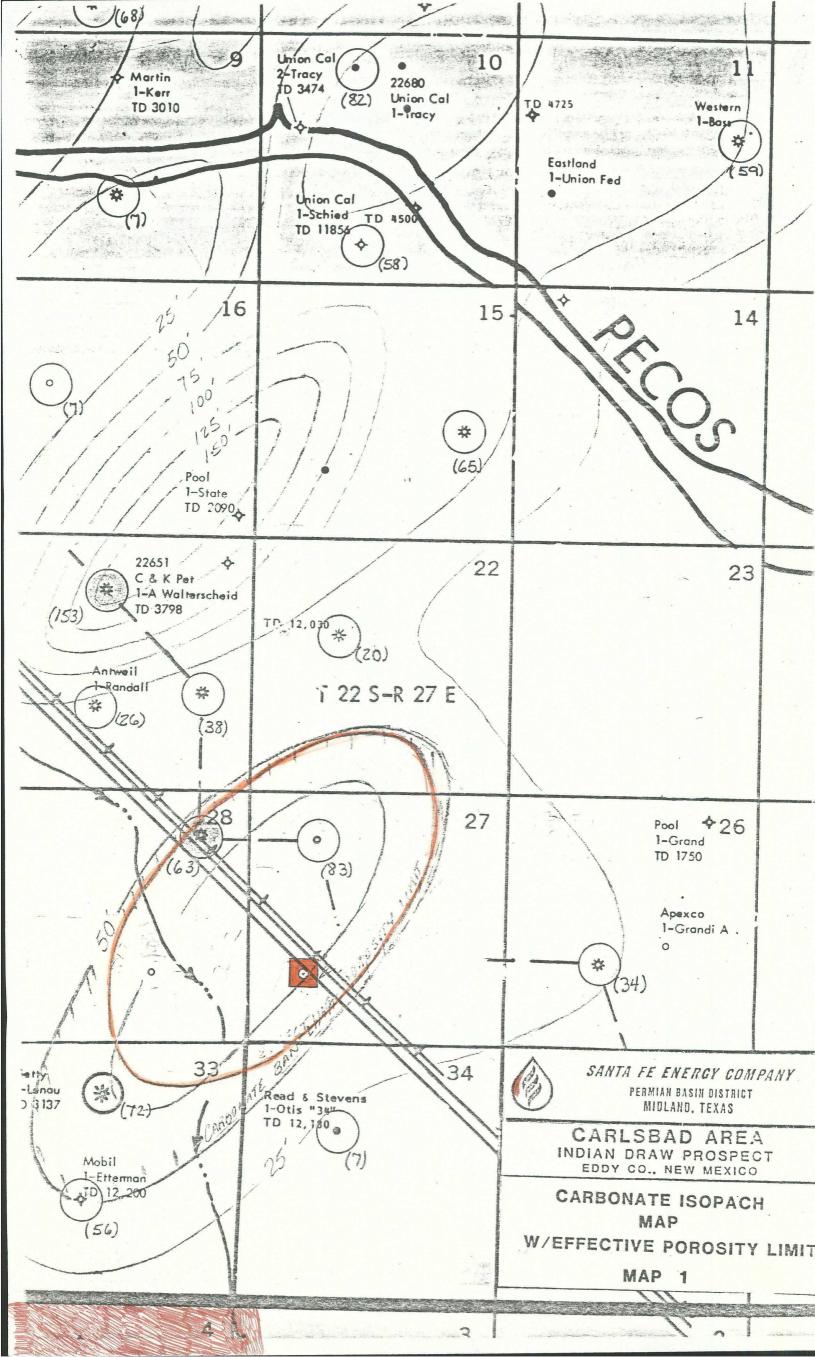
Yours truly,

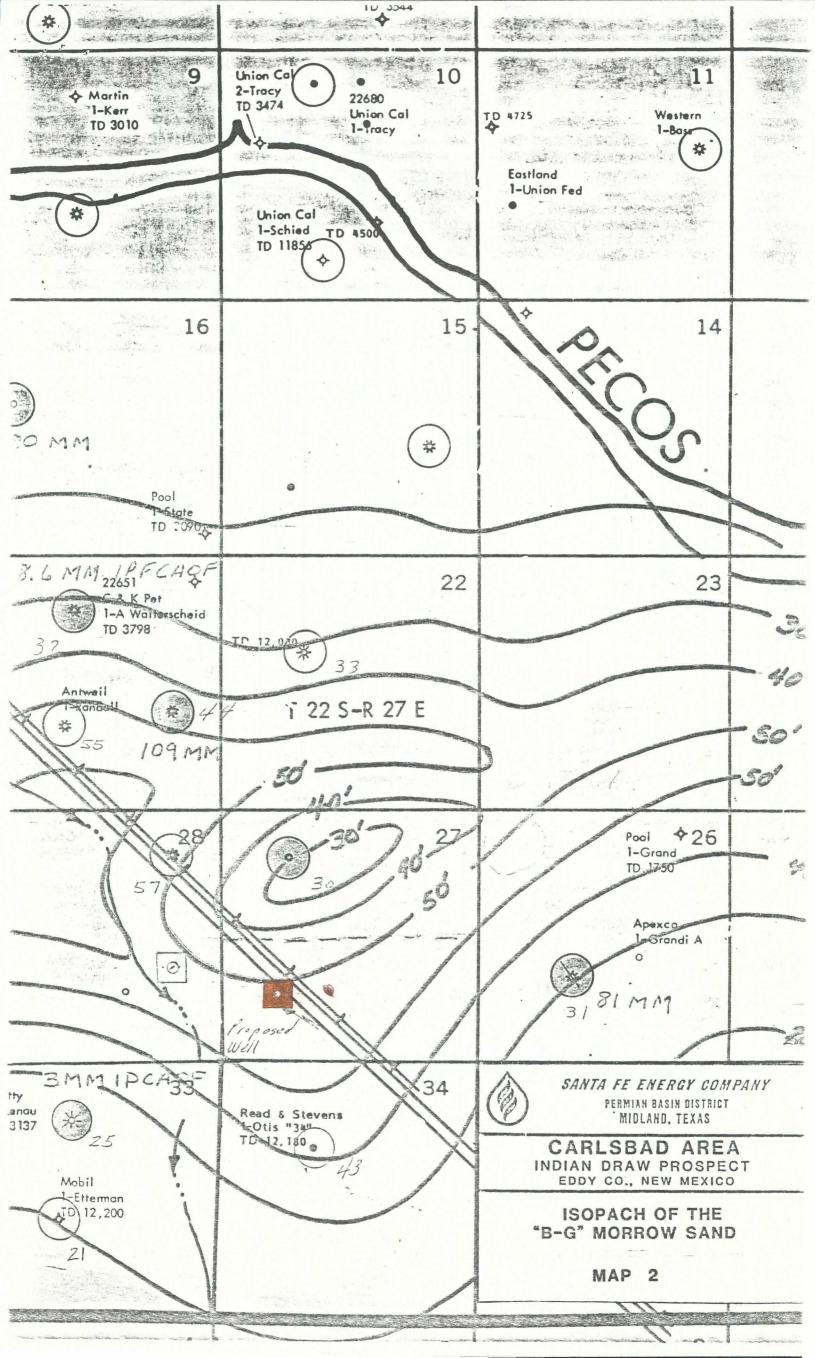
Vernon D. Dyer Acting Exploration Manager

ccs

enclosure







STATE OF NEW MEXIC	20								
ENERGY AND MINERALS DEPA	ATMENT	OIL	CONSERVAT P. O. BOX		DN DIVISION		Form C-101 Revised 10		
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Santa Fe Energy Co	mpany		· · ·				1		
3. Address of Operator			· · · · · · · · · · · · · · · · · · ·				10. Field or	nd Pool, or Wildcat	
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<u> </u>	<u> </u>		<u> </u>	110	. Proposed Depth	19A. Formation	777777	20. Rotary or C.T.	
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23.		P	ROPOSED CASING A	ND I	CEMENT PROGRAM				
SIZE OF HOLE	SIZE OF HOLE SIZE OF CASING		WEIGHT PER FOOT		SETTING DEPTH	I SACKS OF	CEMENT	EST. TOP	
17 1/2"	13 3/8"		61.0		600'+	65	0+	Surface	
12 1/4"	9 5/8"		36.0		5500'+	260	0+	Surface	
7 7/8"	5 1/2	11	20.0	12000' <u>+</u>		85	0 <u>+</u>	7800' <u>+</u>	
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13 3/8" casing. Wa		=							
	12 1/4" hole to 5500'+. Run and cement 9 5/8" casing. Wait on cement until 500 psi com-								
pressive strength o	obtained	(Rule 2	). Drill 8 1/	/2"	' hole to 10,50	00'. Redu	ce hole	size to	
7 7/8" and drill to	b 12,200	. Run	logs and/or di	ri1	1 stem tests.	Either r	run and d	cement 5 1/2"	

I hereby certify that the information above i	a true and complete to the best of my knowledge and bellef.	· · · · · · · · · · · · · · · · · · ·	*
Signed Billie Hand B	illie Hood Tule_Sr. Production Clerk	Dose <u>8-10-84</u>	
(This space for State Use)			
LPPROVED BY	TITLE	DATE	

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production casing or plug and abandon as per NMOCC Rules & Regulations.

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

1>1

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

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All distances must be from the outer boundaries of the Section	11.4	distances	must be	from the	e outer	boundaries	oſ	the	Section
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Operator			Lea	5 C			Well No.
Santa T	Fe Energy Com	bany `	1	Lovelace			1
Unit Letter	Section	Township		Range	County		
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2. If more th	ian one lease is	dedicated to th	e well, ou	tline each and id	lentify the	ownership tl	nereof (both as to working
	nd royalty).						
2 If more the	an one lease of d	ifferent ownersh	in is dedi	cated to the well	have the	interests of	all owners been consoli-
					, nute me	interests of	all owners been consom-
dated by c	communitization, v	initization, force	-pooling. e				
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X Yes	No Ifa	nswer is "yes,"	type of co	nsolidation $\frac{Des}{T}$			
				Lea	asenola r	Istate	
If answer	is "no," list the	owners and trac	t descripti	ons which have	actually be	en consolida	ated. (Use reverse side of
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500 West Illinois Midland, Texas 79701 915/687-3551

August 31, 1984

Re: OD-NM-601,274 Lovelace #1 Well S/2 Sec. 27, T-22-S, R-27-E, Eddy County, NM Indian Draw Prospect Carlsbad Area

New Mexico State Land Office 310 Santa Fe Trail Santa Fe, New Mexico 87501

ATTN: Gilbert Quintana

Dear Mr. Quintana:

In reference to our phone conversation, enclosed please find the additional data you requested in the form of a Porosity Map covering the Second Strawn Carbonate Zone under the referenced well. This should justify Santa Fe Energy Company's request for an unorthodox location on the referenced well.

Should you require any additional information in order to expedite the administrative approval process, please do not hesitate to call me collect at (915) 687-3551.

Your assistance in this matter is very much appreciated.

Sincerely yours,

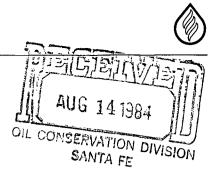
Patrick J Tower Landman

PJT/efw 1 Encl a/s

cc: Bill Schaefer - Exploration Manager Vernon Dyer - District Landman Santa Fe Energy Company

500 West Ohio Midland, Texas 79701 915/687-3551

August 10, 1984



Mr. Joe D. Ramey, Director Oil Conservation Division Energy and Minerals Department State of New Mexico P. O. Box 2088 Santa Fe, NM 87501

> Re: Lovelace no. 1 Sec. 27, T-22S, R-27E Eddy County, New Mexico

Gentlemen:

Santa Fe Energy Company requests administrative approval of an unorthodox location for a 12,200'± Morrow test to be drilled 1090' FWL, 1439' FSL, Section 27, T-22S, R-27E, Eddy County, New Mexico.

The reasons for this request are geologic. The relevant geologic exhibits are enclosed.

All offset operators have been notified by certified or registered mail of this request for administrative approval of an unorthodox location.

Sincerely,

e Hood

Billie Hood Senior Production Clerk

BH:dz-049

Enclosures

