

Release March 18, 1985

By DEC



Santa Fe Energy Company

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

NSL-2009
RULE-104F(II)

February 19, 1985

*Undesignated Morrow, Strawn
and Wolfcamp*

*990 FNL 660 FNL Section 25
w/2 of Section 25 Dedicated to
well.*

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

Re: Dunn No. 1
Sec. 25-22S-27E
Eddy County, New Mexico

Dear Sir:

Santa Fe Energy Company is requesting administrative approval for an unorthodox location due to geologic reasons.

Please find enclosed seven (7) copies of the following:

1. Letter requesting administrative approval of unorthodox location
2. Plat showing acreage dedicated
3. Geologic exhibits
4. Form C-101
5. Form C-102

Six (6) copies of the above have been sent to the District Office in Artesia.

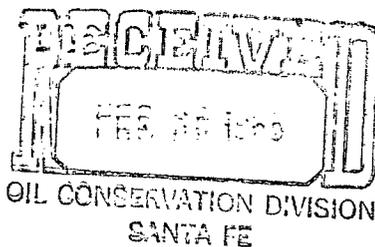
Sincerely,

Billie Hood

Billie Hood
Senior Production Clerk

BH:dz-186

Enclosures





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

February 19, 1985

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

Re: Dunn No. 1
Sec. 25-22S-27E
Eddy County, New Mexico

Gentlemen:

Santa Fe Energy Company requests administrative approval of an unorthodox location for a 12,400' Morrow test to be drilled 990' FNL, 660' FWL, Section 25, 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,

Billie Hood
Senior Production Clerk

BH:dz-185

Enclosures



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

February 19, 1985

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

RE: NM 106-20-19
Geological Exhibits
SFEC #1 Dunn
Eddy County, New Mexico

Dear Mr. Stamets:

Santa Fe Energy Company, Exploration Department, is proposed an unorthodox location 990' FNL, 660' FWL, Section 25, T22S, R27E, Eddy County, New Mexico.

The proposed well will test the major objective Morrow Sandstones and secondary objective Strawn and Wolfcamp Carbonates all of which are productive in the South Carlsbad Field. The Upper Morrow "Nichols Sand" is one of Santa Fe Energy Co's major objectives in the Morrow Formation (Map 1).

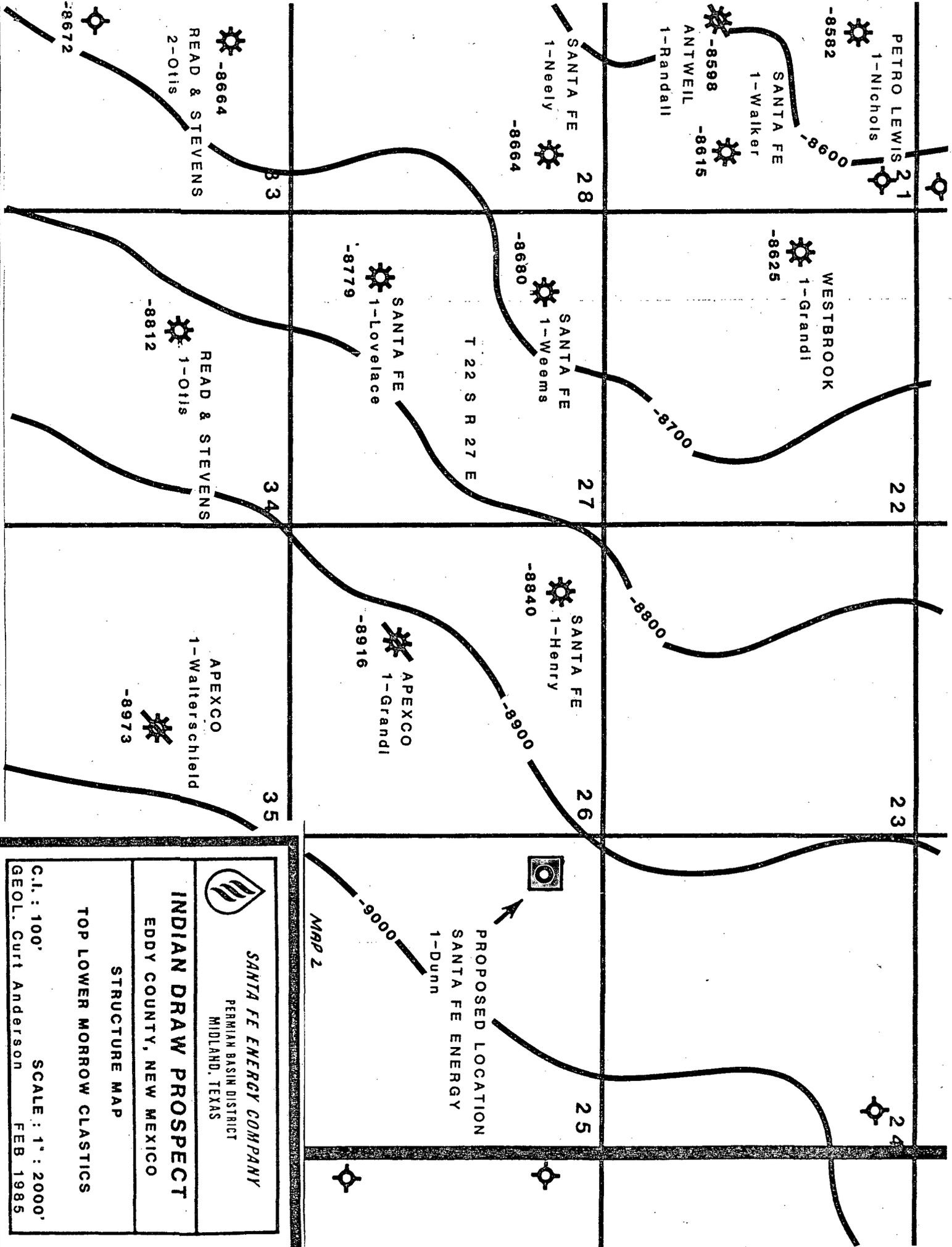
The "Nichols Sand" is interpreted to have been deposited within a dip-oriented distributary channel that carried water from west to east across the area (Maps 1 & 2). Productive porosity within this sand is related to the high rate of energy associated with stream activity near the depocenter of the trend (Map 1). The resultant primary-channel-fill deposits are productive in the Petro-Lewis #1 Nichols (NW/4 Section 21, T22S, R27E), the Santa Fe #1 Walker (SE/4 Section 21, T22S, R27E), and the Santa Fe #1 Weems (NW/4 Section 27, T22S, R27E). Subsurface information in the area and the relatively thick "Nichols Sand" encountered in the Santa Fe #1 Henry (NW/4 Section 26, T22S, R27E) suggest that the depocenter passes north of the #1 Henry and extends eastward through the proposed location (Map 1).

The location Santa Fe Energy Company has proposed is the most logical one based upon knowledge of the Morrow formation in the South Carlsbad Field.

Yours truly,

Curt Anderson
Senior Geologist

cys517
attachment

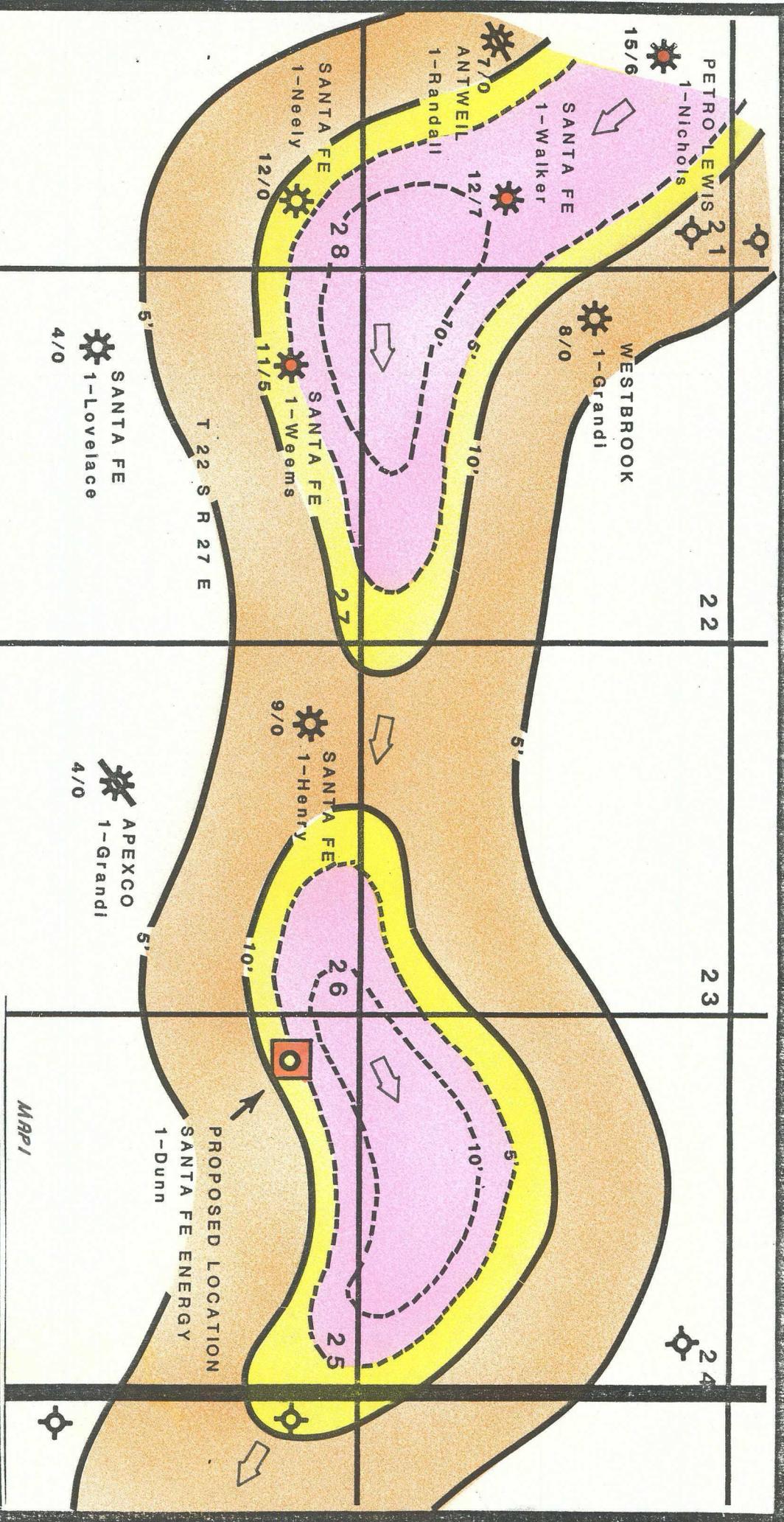




 PROPOSED LOCATION
 SANTA FE ENERGY
 1-Dunn

MAP 2

 <p> SANTA FE ENERGY COMPANY PERMIAN BASIN DISTRICT MIDLAND, TEXAS </p>
<p> INDIAN DRAW PROSPECT EDDY COUNTY, NEW MEXICO </p>
<p> STRUCTURE MAP TOP LOWER MORROW CLASTICS </p>
<p> C.I. : 100' SCALE : 1" : 2000' GEOL. Curt Anderson FEB 1985 </p>



5/0
 READ & STEVENS
 2-Otis

4/2
 READ & STEVENS
 1-Otis

4/0
 SANTA FE
 1-Lovelace

4/0
 APEXCO
 1-Grandi

3/0
 APEXCO
 1-Walterschield

PROPOSED LOCATION
 SANTA FE ENERGY
 1-Dunn

MAP 1



SANTA FE ENERGY COMPANY
 PERMIAN BASIN DISTRICT
 MIDLAND, TEXAS

INDIAN DRAW PROSPECT
 EDDY COUNTY, NEW MEXICO

ISOPACH MAP
 UPPER MORROW "NICHOLS SAND"
 GROSS SAND POROSITY ≥ 8%

C.I.: 5'
 SCALE: 1" : 2000'
 GEOL. Curt Anderson
 FEB 1985

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

February 15, 1985

Re: OD-NM-617,012
Dunn #1
Waiver Letter
Eddy County, New Mexico

Exxon Company, U.S.A.
P. O. Box 1600
Midland, Texas 79702-1600

Attn: Douglass C. Robison

Gentlemen:

This is to inform you of our Request for Administrative Approval of Santa Fe Energy Company's unorthodox location for a 12,400' Morrow test well, with secondary potential in the Strawn and Wolfcamp. The location of this Test will be 990' FNL and 660' FWL in Section 25, T-22-S, R-27-E, Eddy County, New Mexico, with the West Half (W/2) of said section to be the proration unit. (A Plat is attached for your convenience).

Santa Fe Energy Company would appreciate your responding to this waiver as quickly as possible. Currently our plans are to spud the well as soon as the paperwork is in order. Please send one executed copy to:

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

and return the copy so marked to us.

Yours truly,



Patrick J. Tower
Senior Landman

/mjs
Enclosure

BY SIGNATURE HERETO, WE HAVE NO OBJECTION TO THE GRANTING OF A PERMIT TO DRILL AT THE ABOVE SPECIFIED LOCATION FOR THE ABOVE SPECIFIED FORMATIONS AND HEREBY WAIVE OBJECTION AND NOTICE OF HEARING ON THIS APPLICATION.

BY _____ Date _____

Title:
Company:

cc: Bill Schaefer - Exploration Manager
Vernon D. Dyer - District Landman
Hugh Boyt - Production Manager

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

February 15, 1985

Re: OD-NM-617,012
Dunn #1
Waiver Letter
Eddy County, New Mexico

DeltaUS Corporation
West Texas Production Division
3100 North "A"
Midland, Texas 79701

Attn: Rod Woodard

Gentlemen:

This is to inform you of our Request for Administrative Approval of Santa Fe Energy Company's unorthodox location for a 12,400' Morrow test well, with secondary potential in the Strawn and Wolfcamp. The location of this Test will be 990' FNL and 660' FWL in Section 25, T-22-S, R-27-E, Eddy County, New Mexico, with the West Half (W/2) of said section to be the proration unit. (A Plat is attached for your convenience).

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

and return the copy so marked to us.

Yours truly,

Patrick J. Tower
Patrick J. Tower
Senior Landman

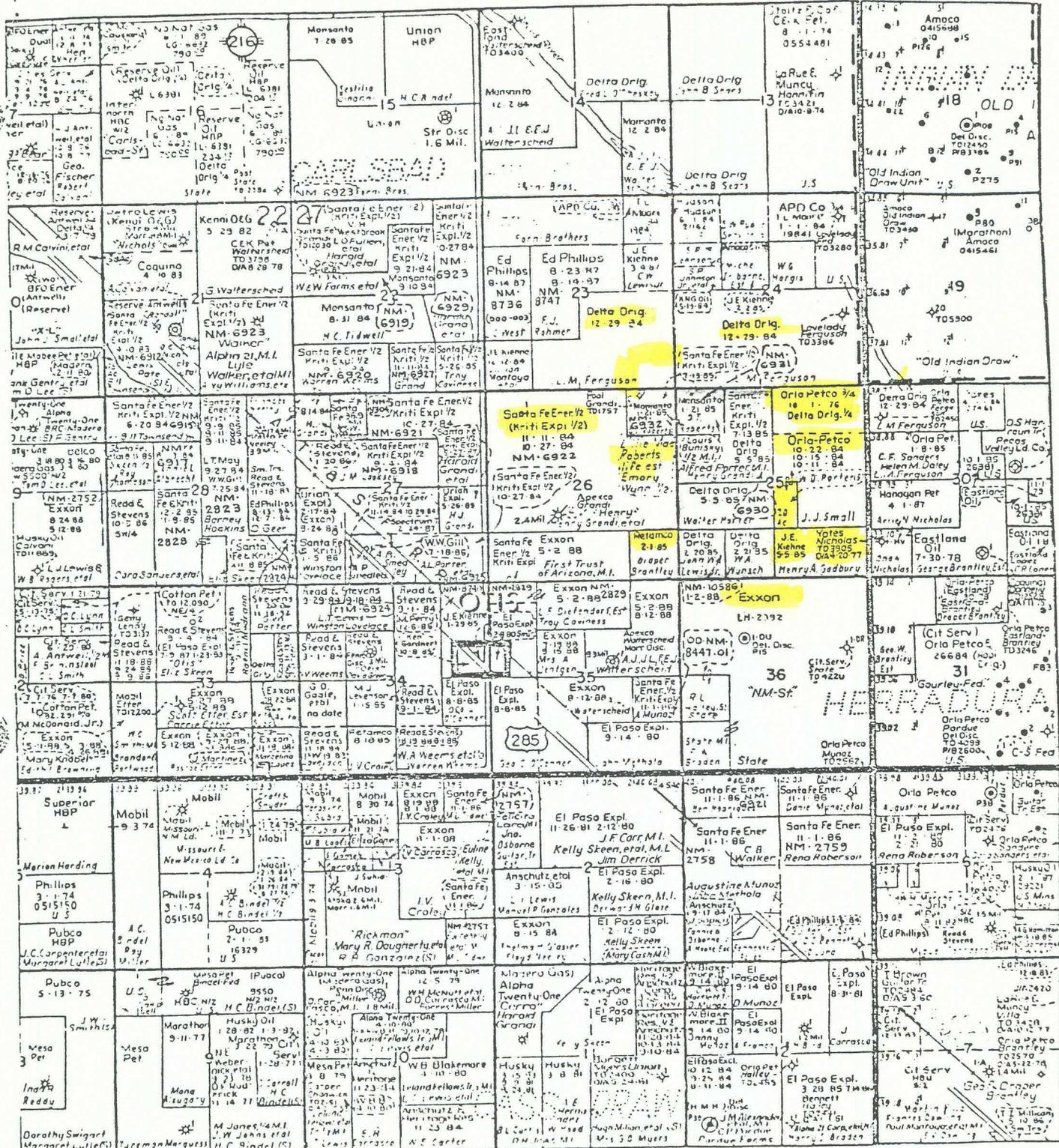
/mjs
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BY _____ Date _____

Title:
Company:

cc: Bill Schaefer - Exploration Manager
Vernon D. Dyer - District Landman
Hugh Boyt - Production Manager



Proration Unit



SANTA FE ENERGY COMPANY
 PERMIAN BASIN DISTRICT
 MIDLAND, TEXAS

CARLSBAD AREA (16)

Eddy Co., New Mexico

**INDIAN DRAW PROSPECT
 (NM-23)**

Scale: 1" = 400' DATE: 10-84

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease
STATE FEDERAL

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

14. Type of Work a. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			7. Unit Agreement Name		
2. Name of Operator Santa Fe Energy Company			8. Farm or Lease Name Dunn		
3. Address of Operator 500 W. Illinois, Midland, Texas 79701			9. Well No. 1		
4. Location of Well UNIT LETTER <u>D</u> LOCATED <u>990</u> FEET FROM THE <u>North</u> LINE AND <u>660</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>25</u> TWP. <u>22S</u> RGE. <u>27E</u> NMPM			10. Field and Pool, or Wildcat Undes. S. CarlsbadMorro		
19. Proposed Depth 12,400			19A. Formation Morrow		20. Rotary or C.T. Rotary
			21. Elevations (show whether DF, RT, etc.) 3066.2		
21B. Drilling Contractor TBD			22. Approx. Date Work will start April 15		

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48.0	200	210	Surface
12-1/4"	10-3/4"	45.5	2200	540	Surface
9-1/2"	7-5/8"	26.40 & 29.70	9200	410	7200
6-1/2"	5"	18.0	8900-12,400	580	8900

Move on location. Drill 17-1/2" hole to 200'. Run and cement 13-3/8" casing. WOC until 500 psi compressive strength obtained (Option 2). Nipple up annular preventor. Test preventor and casing to 600 psi. Drill 12-1/4" hole to 2200'. Run and cement 10-3/4" casing. WOC until 500 psi compressive strength obtained. Nipple up 5000 psi BOP stack and choke manifold. Test to 1500 psi. Test casing to 1500 psi. Drill 9-1/2" hole to 9200'. Log. Run and cement 7-5/8" casing. WOC until 500 psi compressive strength obtained. Test BOP and choke manifold to 5000 psi. Drill 6-1/2" hole to 12,400'. Log. Run drillstem test if appropriate. Either plug and abandon or run and cement 5" liner.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Michael R. Burton Title Sr. Drilling Engineer Date 2/14/85
Michael R. Burton
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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.

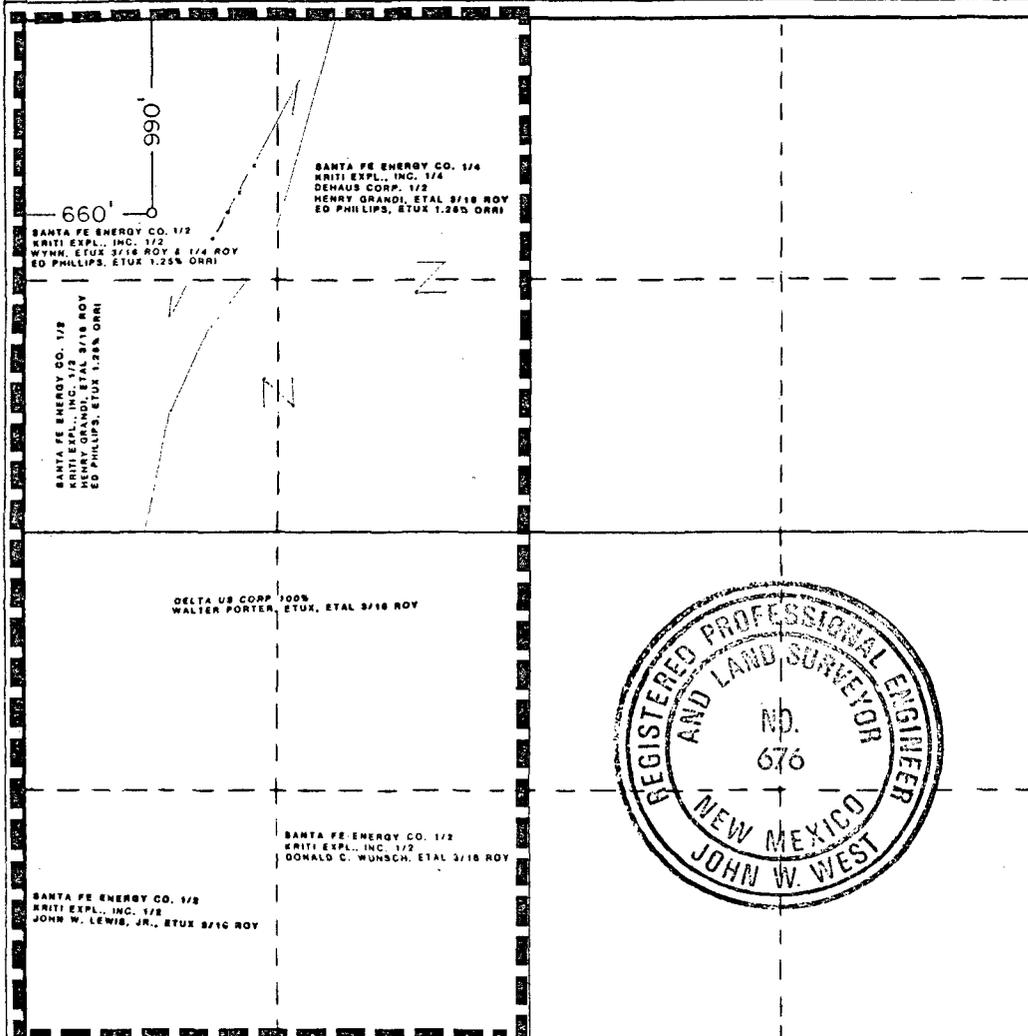
Operator Santa Fe Energy Co.			Lease Dunn			Well No. 1		
Unit Letter D	Section 25	Township 22S	Range 27E	County Eddy				
Actual Footage Location of Well: 990 feet from the North line and 660 feet from the West line								
Ground Level Elev. 3066.2	Producing Formation Morrow		Pool Undes. S. Carlsbad Morrow			Dedicated Acreage: 320 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 Designation of Consolidated Gas Leasehold Estate

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.

Mike Burton

Name
Mike Burton
Position
Sr. Drilling Engineer
Company
Santa Fe Energy Company
Date
2-19-85

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
Feb. 11, 1985
Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



Santa Fe Energy Company



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

March 11, 1985

Re: OD-NM-617,012
Dunn #1 Well
Waiver Letter
Eddy County, New Mexico

Division, Energy and
Minerals Department
State of New Mexico
525 Camino De Los Marquez
Santa Fe, New Mexico 87501

ATTN: Dave Catanach

Gentlemen:

Enclosed please find a copy of the remaining waiver letters pertaining to the referenced well. This should complete your files in regard to securing administrative approval of the referenced well.

It is requested that should these waiver letters be executed prior to the 20-day period that you grant Santa Fe Energy Company the administrative approval on the referenced well.

Should you have any questions concerning this matter feel free to give us a call.

Sincerely yours,


Patrick J. Tower
Senior Landman

PJT/efw
2 Encls a/s



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

March 8, 1985

Re: OD-NM-617,012
Dunn #1 Well
Waiver Letter
Eddy County, New Mexico

Getty Oil Company
c/o Texaco, U.S.A.
P.O. Box 3109
Midland, Texas 79702

ATTN: Buck Watkins

Gentlemen:

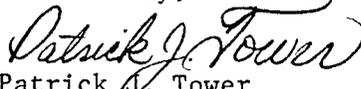
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Division, Energy and Minerals Department
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

and return the copy so marked to us.

Yours truly,


Patrick J. Tower
Senior Landman

PJT/efw
Encl

BY SIGNATURE HERETO, WE HAVE NO OBJECTION TO THE GRANTING OF A PERMIT TO DRILL AT THE ABOVE SPECIFIED LOCATION FOR THE ABOVE SPECIFIED FORMATIONS AND HEREBY WAIVE OBJECTION AND NOTICE OF HEARING ON THIS APPLICATION.

BY _____ Date _____

Title:
Company:

cc: Bill Schaefer - Exploration Manager
Vernon D. Dyer - District Landman
Hugh Boyt - Production Manager

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

March 7, 1985

Re: OD-NM-617,012
Dunn #1 Well
Waiver Letter
Eddy County, New Mexico

R. F. Fort
Box 2044
Midland, Texas 79702

Dear Mr. Fort:

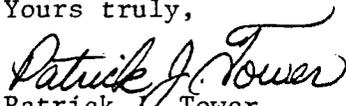
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