



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

January 17, 1995

Williams Production Company
P. O. Box 3102
Tulsa, Oklahoma 74101

Attention: M. Vern Hansen

RE: *Administrative application of Meridian Oil, Inc. for an unorthodox coal gas well location within the Cedar Hill-Fruitland Basal Coal (Gas) Pool [not the Basin Dakota Coal (Gas) Pool as referenced in said application] for its existing Payne Well No. 11 (API No. 30-045-26804), which was originally drilled in September, 1987 and completed in the Basin-Dakota Pool at a previously approved non-standard gas well location (see Division Administrative Order NSL-2382, dated August 24, 1987) 590 feet from the North line and 810 feet from the East line (Lot 1/Unit A) of Section 27, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico.*

Dear Mr. Hansen:

The subject application was filed with the Division on March 14, 1996, your letter of objection dated April 4, 1996 (see copy attached) was received by the Division on April 8, 1996, or 25 calendar days after the official filing date of the Meridian application. Pursuant to **Rule 5** the "*Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal (Gas) Pool*", as promulgated by Division Order No. R-7588, as amended:

"The Division Director may approve the application upon receipt of written waivers from all offset operators offsetting the proration unit or if no objection to the unorthodox location has been entered within 20 days after the Director has received the application."

Your objection was received too late for the Division to take any action in either delaying or denying Meridian's request. An order approving this application is being processed at this time and will be forthcoming.

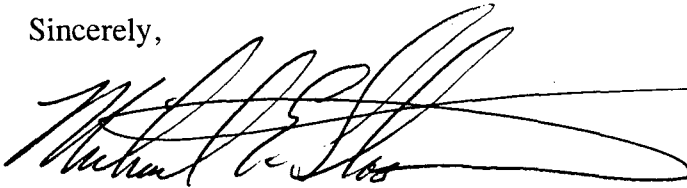
Williams Production Company

April 10, 1996

Page 2

Should Williams Production Company wish to pursue this matter further, an application to rescind this order through the Examiner's hearing process can be filed by William Production Company as the applicant.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

Michael E. Stogner
Chief Hearing Officer/Engineer

WJL/MES/kv

cc: Oil Conservation Division - Aztec
U.S. Bureau of Land Management - Farmington
Meridian Oil, Inc. (Attn: Peggy Bradfield) - Farmington, NM
W. Thomas Kellahin - Santa Fe
William J. LeMay - OCD Director, Santa Fe
Rand Carroll, General Counsel - OCD, Santa Fe
File: NSL-2382
NSL-2382-A

OIL CONSERVATION DIVISION
RECEIVED

'96 APR 8 AM 8.52

April 4, 1996

Mr. Michael Stogner
New Mexico Oil Conservation Commission
2040 Pacheco Street
Santa Fe, New Mexico 87505

Re: Application for Non-Standard Location
Payne #11, API #30-045-26804
590' FNL & 810' FEL, Sec.27,T32N,R10W
San Juan County New Mexico

Gentlemen:

Williams Production Company received Meridian Oil's waiver for a non-standard gas well location in the Basin Fruitland Coal for the referenced well.

Williams opposes the non-standard location. Meridian has proposed to drill the Payne #221 Fruitland Coal well in the NE/4 of Sec.22,T32N,R10W, and current spacing rules will not allow a well to be drilled in the SE/4 of Section 22,T32N,R10W to protect our acreage from drainage from the proposed Payne #11 well.

Sincerely yours,



M. Vern Hansen
Senior Landman

cc: Bryan Guderian
M. J. Turnbaugh



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

April 11, 1996

Meridian Oil, Inc.
Attention: Peggy Bradfield
P.O. Box 4289
Farmington, New Mexico 87499-4289

Administrative Order NSL-2382-A

Dear Ms. Bradfield:

Reference is made to your application dated March 13, 1996 for a non-standard coal gas well location within the Cedar Hill-Fruitland Basal Coal (Gas) Pool [not the Basin Dakota Coal (Gas) Pool as referenced in said application] for your existing Payne Well No. 11 (API No. 30-045-26804), which was originally drilled in September, 1987 and completed in the Basin-Dakota Pool at a previously approved non-standard gas well location (see Division Administrative Order NSL-2382, dated August 24, 1987) 590 feet from the North line and 810 feet from the East line (Lot 1/Unit A) of Section 27, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico.

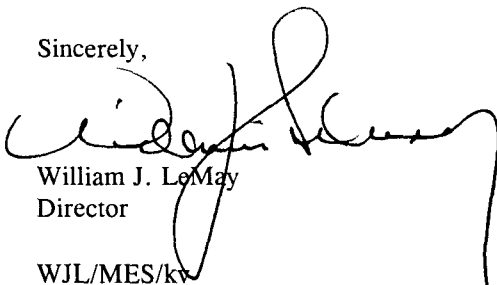
It is our understanding that the Basin-Dakota interval will be properly plugged back at this time and recompleted up-hole to the Cedar Hill-Fruitland Basal Coal (Gas) Pool, which pursuant to the "*Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal (Gas) Pool*", as promulgated by Division Order No. R-7588, as amended, is unorthodox.

By the authority granted me under the provisions of **Rule 4** of said Order No. R-7588, as amended, the above-described unorthodox coal gas well location is hereby approved.

Further, Lots 1 through 8 (E/2 equivalent) of said Section 27 shall be dedicated to the well to form a standard 305.02-acre gas spacing and proration unit for said pool.

Said original Division Administrative Order NSL-2382, as amended on May 22, 1990 [which order also approved this location within the Cedar Hill-Fruitland Basal Coal (Gas) Pool], shall be placed in abeyance until further notice.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington
Williams Production Company (Attn: M. Vern Hansen) - Tulsa, Oklahoma
File: NSL-2382
Rand Carroll, General Counsel - OCD, Santa Fe



Union Texas Petroleum OIL POLLUTION DIVISION
RECEIVED

'90 MAY 16 AM 8 54

1330 Post Oak Blvd.
P.O. Box 2120
Houston, Texas 77252-2120
(713) 623-6544

OFFSET OPERATORS

PAYNE 11

This is to certify that the following offset operators were notified by certified mail, of Union Texas Petroleum's request for unorthodox location in the Basin Fruitland Coal.

Amoco Production Co.
2225 E. 30th Street
Farmington, New Mexico 87401

Meridian Oil Inc.
P.O. Box 4289
Farmington, New Mexico 87499

Ken E. White
Regulatory Permit Coordinator

KEW:0007



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

May 7, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Union Texas Petroleum Corporation
P.O. Box 2120
Houston, TX 77252-2120

Attention: Ken E. White

RE: *Application for non-standard location: Payne Well No. 11, 590' FNL - 810' FEL (Unit A) Section 27, Township 32 North, Range 10 West, NMPM, Cedar Hill Fruitland Basal Coal Gas Pool, San Juan County, New Mexico.*

Dear Mr. White:

We may not process the subject application for non-standard location until the required information or plat(s) checked below are submitted.

- ☒ A plat must be submitted clearly showing the ownership of the offsetting leases.
- ☒ A statement must be submitted that offset operators have been notified of the application by certified mail.
- ☐ A plat must be submitted fully identifying the topography necessitating the non-standard location.
- ☐ Other: _____

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

R10W

PAYNE #2A
10-1980
0/3950/0(F)
0.0/260(A)
0.0/874
0.0/2100

21

UTPC
PAYNE #4E

UTPC

MERIDIAN

23

AMOCO

22

PAYNE #4A
11-1980
0/1314/0(F)
0.0/152(A)
0.0/1231
0.0/2975

UTPC
PAYNE #11

UTPC

MERIDIAN

26

KEYS GAS COM A #2
4-1982
0/912/0(F)
0.0/4(A)
0.0/34
0.0/34

27

AMOCO

SCHNEIDER GAS COM C #1

NA
0/1510/0(F)
0.0/0(TA)
0.0/0
0.0/0

28

JAEQUEZ GAS COM F #1
3-1987
0/1146/0(F)
0.0/0(A)
0.0/2

AMOCO

MERIDIAN

33

34

35

▲ PROPOSED LOCATION



UNION TEXAS PETROLEUM

SAN JUAN BASIN
PAYNE AREA
SAN JUAN COUNTY, NEW MEXICO

BASIN FRUITLAND COAL

SCALE IN FEET
0 1000 2000 4000 6000

GEOL.	DATE	GEOPH.	DATE	LAND	DATE	WELLS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

1. ☐ OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR

Union Texas Petroleum Corp.

3. ADDRESS OF OPERATOR

P.O. Box 2120 Houston, TX 77252-2120

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface

590' FNL & 810 FEL

WELL FILE

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, CR, etc.)

6898 FR

5. LEASE DESIGNATION AND SERIAL NO.

SF-080517

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Payne

9. WELL NO.

11

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR S.E. AND
SURVEY OR AREA

27-32N-10W

12. COUNTY OR PARISH 13. STATE

San Juan

NM

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETION

ABANDON*

CHANGE PLANS

Plug back to Frt Coal XX

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

(NOTE: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

We propose that the unproductive Dakota be plugged back and the Fruitland coal be opened and stimulated. This well was drilled and completed in the Dakota late in 1987. However, the Dakota is not capable of commercial gas production and has major crooked hole problems below 6500'. With an AOF of only 727 MCF/D a pipeline connection would not be economical. Since the Dakota is not productive, we looked for an uphole interval that would be productive. The Mesaverde already has a well in the quarter section and the Gallup Pictured Cliffs and Fruitland sands do not appear to be productive.

HMOC approval is required for the

Unconventional Location.

COPY TO:

DRLG

LAND

PROJ. COORD.

Steve Hunter
Farmington WF



APR 23 1990

18. I hereby certify that the foregoing is true and correct

SIGNED

Steve Hunter

TITLE Reg. Permit Coord.

DATE 4/9/90

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

OPERATOR

*See Instructions on Reverse Side

APPROVED

APR 16 1990

AREA MANAGER

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supervisor
Effective

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

Operator UNION TEXAS PETROLEUM			Lease PAYNE		Well No. 11
Unit Letter A	Section 27	Township 32N	Range 10W	County SAN JUAN	
Actual Footage Location of Wells 590 feet from the North line and 810 feet from the East line					
Ground Level Elev. 6898	Producing Formation Dakota		Pool Basin		Dedicated Acreage E/2 305.22

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 well 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?

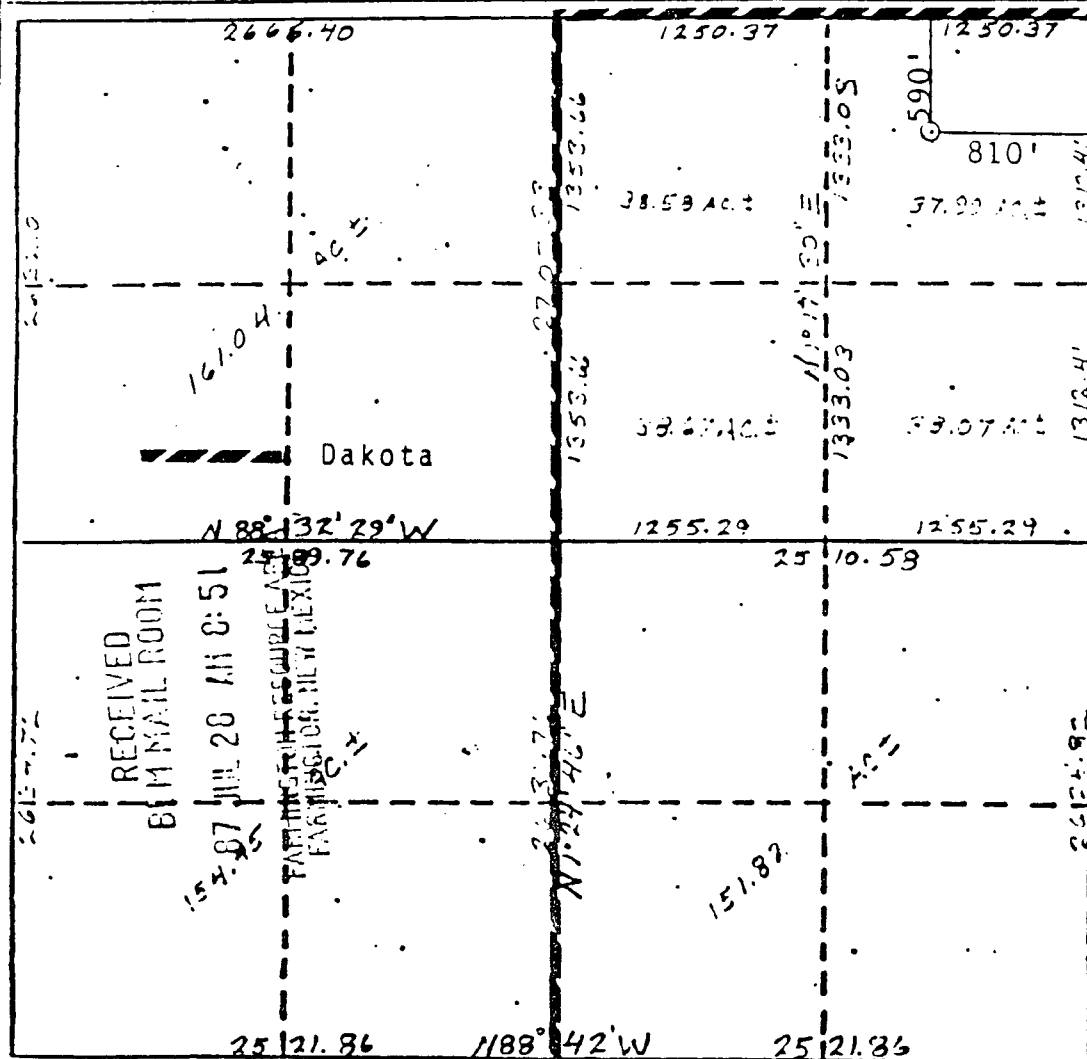
☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse 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.

S89° 49' W

N81° 39' W



CERTIFICATION

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

Robert C. Frank

Name
Robert C. Frank
Position
Permit Coordinator
Company
Union Texas Petroleum
Date
July 27, 1987

I hereby certify that the well location shown on this plat was plotted from notes of actual surveys made by _____ and that the location is correct to the best of my knowledge and belief.

Cecil B. Tullis

Date Surveyed
July 1, 1987
Registered Professional Engineer and/or Land Surveyor

Cecil B. Tullis
Certificate No.

9672

Exhibit 7



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

May 7, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Union Texas Petroleum Corporation
P.O. Box 2120
Houston, TX 77252-2120

Attention: Ken E. White

RE: *Application for non-standard location: Payne Well No. 11, 590' FNL - 810' FEL (Unit A) Section 27, Township 32 North, Range 10 West, NMPM, Cedar Hill Fruitland Basal Coal Gas Pool, San Juan County, New Mexico.*

Dear Mr. White:

We may not process the subject application for non-standard location until the required information or plat(s) checked below are submitted.

- ☒ A plat must be submitted clearly showing the ownership of the offsetting leases.
- ☒ A statement must be submitted that offset operators have been notified of the application by certified mail.
- ☐ A plat must be submitted fully identifying the topography necessitating the non-standard location.
- ☐ Other: _____

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

SECTION II

R. W. Byram & Co., - Nov., 1988

EAST BISHOP CANYON-SAN ANDRES (GAS-OIL RATIO) POOL - Cont'd.)

IT IS THEREFORE ORDERED:

(1) That effective July 1, 1984, the limiting gas-oil ratio for the East Bishop Canyon-San Andres Pool is hereby established at 7000 cubic feet of gas per barrel of oil.

(2) That further effective July 1, 1984, any cumulative casinghead gas overproduction for wells in said pool is hereby cancelled.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

(2) That the applicant Amoco Production Company, seeks an order creating a new gas pool, the vertical limits to be the Basal Coal Zone of the Fruitland formation, with special pool rules including a provision for well location and a provision for 320-acre spacing. San Juan County, New Mexico.

(3) That the applicant is the owner and operator of the Cahn Gas Com Well No. 1, located 1030 feet from the North line and 1600 feet from the West line of Section 33, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico.

(4) That although said Cahn Gas Com Well No. 1 is located within the Mount Nebo-Fruitland Pool (created by Division Order No. R-4690, dated December 6, 1973, as amended by Division Order Nos. R-5843 and R-7046, dated November 2, 1978, and August 6, 1982, respectively), the geological evidence presented at the hearing demonstrates that said well, which is producing from an open hole interval from 2795 feet to 2812 feet, has three distinct reservoirs and is not in communication with the Basal Coal member of the Fruitland formation and should be designated the Cedar Hill-Fruitland Basal Coal Pool.

(5) That the well log for the discovery well, as described above, does not fully penetrate the Basal Coal member of the Fruitland formation and as such should not be used as the type log for the proposed pool.

(6) That the vertical limits of said proposed pool should then be based upon the Basal Coal member of the Fruitland formation from approximately 2838 feet to 2878 feet as found on the type log from the applicant's Schneider Gas Com "B" Well No. 1 located 1110 feet from the South line and 1185 feet from the West line of Section 28, Township 32 North, Range 10 West, San Juan County, New Mexico.

(7) That the well log from said Schneider Gas Com "B" Well No. 1 penetrates the entire Basal Coal member of the Fruitland formation and said well is approximately 2200 feet north of the discovery well, as described in Finding Paragraph No. (3) above.

(8) That the horizontal limits of said proposed pool should be as follows:

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM Sections 3 through 6: All

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM Sections 19 through 22: All
Sections 27 through 34: All

comprising 10,240 acres, more or less, all in San Juan County, New Mexico.

(9) That the currently available information indicates that one well in the proposed pool should be capable of effectively and efficiently draining 320 acres.

(10) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to encourage the orderly development of the proposed pool, and to otherwise protect the interests and protect correlative rights of the well owners, the Division hereby orders that the proposed pool be developed in accordance with the Temporary Special Rules and Regulations providing for 320-acre spacing units comprising any two contiguous quarter sections of a single governmental section, being a legal subdivision of the United States Public Land Surveys.

(11) That the Temporary Special Rules and Regulations should provide for well locations in order to protect correlative rights, orderly development of the pool and to protect correlative rights.

(12) That said Temporary Special Rules and Regulations should be effective February 1, 1984, and should also be established for a two-year period in order to allow the operators in the Cedar Hill-Fruitland Basal Coal Pool to gather test data and to determine whether the temporary rules should be made permanent.

ORDER OF THE DIVISION

BY THE DIVISION: This cause came on for hearing at 8 a.m. on January 18, 1984, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 9th day of July, 1984, the Division Director, having considered the evidence and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

R. W. Byram & Co., - Nov., 1988

SECTION II

New Mexico Page 537

(CEDAR HILL-FRUITLAND BASAL COAL GAS POOL - Cont'd.)

(13) That special provisions for non-standard gas well location should be made for any well drilled or completed in the Basal Coal member of the Fruitland formation within the proposed Cedar Hill-Fruitland Basal Coal Pool or within one mile of said pool on or before February 1, 1984, that does not comply with any special well location requirements promulgated in this order.

(14) That the vertical limits of the Mount Nebo-Fruitland Pool should be based upon the Basal Coal member as designated on the type log of said Amoco Production Company's Schneider Gas Com "B" Well No. 1, as described in Finding Paragraph No. (6) above.

(15) That this case should be reopened at an examiner hearing in February, 1986, at which time the operators in the subject pool should be prepared to appear and show cause why said pool should not be designated the Cedar Hill-Fruitland Basal Coal Pool and should not be developed on 160-acre spacing units.

IT IS THEREFORE ORDERED:

(1) That effective February 1, 1984, a new pool in San Juan County, New Mexico, classified as a gas pool for production from the Basal Coal member of the Fruitland formation, is hereby created and designated the Cedar Hill-Fruitland Basal Coal Pool, with the vertical limits comprising the Basal Coal member of the Fruitland formation as found from approximately 2795 feet to 2878 feet on the type log of the Amoco Production Company's Schneider Gas Com "B" Well No. 1, located 1110 feet from the South line and 1185 feet from the West line of Section 28, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, and horizontal limits consisting of the following described area.

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM Sections 3 through 6: All

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM Sections 19 through 22: All
Sections 27 through 34: All

comprising 10,240 acres, more or less, all in San Juan County, New Mexico.

(2) That Temporary Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS FOR THE CEDAR HILL-FRUITLAND BASAL COAL POOL SAN JUAN COUNTY, NEW MEXICO

RULE 1. (As Amended by Order No. R-7588-B, November 1, 1988.) (A) Each well completed or recompleted in the Cedar Hill-Fruitland Basal Coal Pool shall be spaced, drilled, operated and prorated in accordance with the Special Rules and Regulations hereinafter set forth.

(B) A Cedar Hill-Fruitland Basal Coal Pool well will be defined as one which meets a preponderance of the generally characterized coalbed methane criteria as derived from:

- Wireline log data;
- Drilling time;
- Mud logs;
- Completion data;
- Gas analysis;
- Water analysis;
- Reservoir performance;
- Any other evidence that indicates the production is predominantly coal methane.

No one characteristic of lithology, performance or sampling will either qualify or disqualify a well from being classified as a coal gas well. Absent any finding to the contrary, any well completed in accordance with these rules that has met a

preponderance of the criteria for determining a coal well is therefore presumed to be completed in and producing from the Cedar Hill-Fruitland Basal Coal Pool. The District Supervisor, at his discretion, may require an operator to submit a log of the well, and the operator shall comply with the provisions of General Rule 303(c) authorizing the commingling of pools in the event a coal well fails to meet the criteria for coal well as set forth in this rule.

RULE 2. Each well shall be located on a standard unit containing 320 acres, more or less, comprising any two contiguous quarter sections of a single governmental section, being a legal subdivision of the United States Public Land Surveys.

RULE 3. Non-standard spacing or proration units shall be authorized only after notice and hearing.

RULE 4. The first well drilled or recompleted on every standard or non-standard unit in the Cedar Hill-Fruitland Basal Coal Pool shall be located in the NE/4 or SE/4 of a single governmental section. The boundary of the tract not closer than 130 feet to any quarter-quarter section or subdivision inner boundary.

RULE 5. The Division Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the completion of a well previously drilled to another horizon. All operators offering the proration unit shall be notified of the application and shall not be permitted to drill and the application shall state that such non-standard location is requested. The application shall be approved upon receipt of written waivers from all affected operators offsetting the proration unit or if no objection to the unorthodox location has been entered within 30 days after the Director has received the application.

RULE 6. That any subsequent well drilled or recompleted in an existing Cedar Hill-Fruitland Basal Coal standard or non-standard unit shall be authorized only after notice and hearing.

IT IS FURTHER ORDERED:

(3) That the Temporary Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal Pool be amended by Division Order No. R-7588-B, November 1, 1988, to permit Amoco Production Company to locate its Cahn Gas Com Well No. 1, located 1030 feet from the North line and 1600 feet from the West line of Section 33, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, at an unorthodox gas well location in the NW/4 of said Section 33.

(4) That any well drilled to or completed in the Basal Coal member of the Fruitland formation within the Cedar Hill-Fruitland Basal Coal Pool or within one mile of said pool either on or before August 1, 1984, that will not comply with the well location requirements of Rule 4 is hereby granted an exception to the requirements of said rule. The operator of any such well shall notify the Aztec District Office of the Division, in writing, of the location of any such well on or before November 1, 1984.

(5) That the vertical limits of the Mount Nebo-Fruitland Pool (created by Division Order No. R-4690, dated November 6, 1973, as amended by Division Order Nos. R-5843 and R-7046, dated November 2, 1978, and August 6, 1982, respectively) are hereby redefined to include the Fruitland formation with the exception of the Basal Coal member as designated on the type log of the Amoco Production Company's Schneider Gas Com "B" Well No. 1, as described in Finding Paragraph No. (1) above.

(6) That this case shall be reopened at an examiner hearing in February, 1986, at which time the operators in the subject pool may appear and show cause why the Cedar Hill-Fruitland Basal Coal Pool should not be developed on 160-acre spacing and proration units.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

May 3, 1990

US Bureau of Land Management
Farmington Resources Office
1235 La Plata Highway
Farmington, NM 87401

Attention: Ron Fellows

*RE: Union Texas Petroleum Corp. Request for
an unorthodox coal gas well location, Payne
Well No. 11, 590' FNL - 810' FEL (Unit A)
27-T30N-R10W, Basin-Fruitland Coal Gas
Pool, San Juan County, New Mexico.*

Dear Mr. Fellows:

Enclosed please find a copy of an unorthodox gas well location request that the NMOCD received on April 30, 1990. This information is being provided to you for your records since the well is within your jurisdiction. Should you have any comments or suggestions, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal line extending from the end of the signature.

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
Union Texas Petroleum Corporation - Houston



Union Texas Petroleum

OIL CONSERVATION DIVISION
RECEIVED

'90 APR 30 AM 8 54

1330 Post Oak Blvd.
P.O. Box 2120
Houston, Texas 77252-2120
(713) 623-6544

April 24, 1990

Williams J. LeMay - Director
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87504

Re: Payne 11-Sec. 27-32N-10W
San Juan County, New Mexico

Dear Mr. LeMay:

This well is currently completed in the Basin Dakota Field. We are planning recompletion to the Fruitland Coal formation but spacing rules place this well bore in an unorthodox location.

We request administration approval for exception to unorthodox location.

Attached is a C-102 reflecting the location and a list of offset operations.

Please contact me at 713/968-3654 if you have any questions.

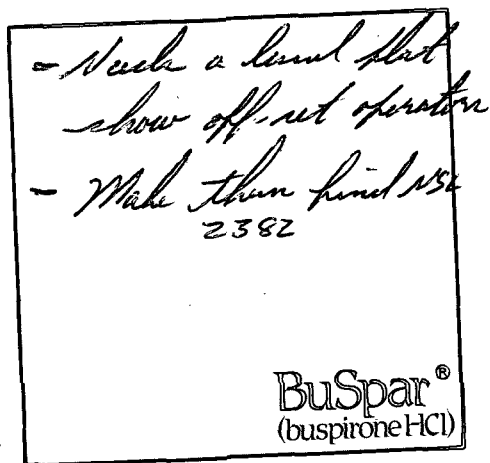
Best regards,

Ken White

Ken E. White
Regulatory Permit Coordinator

KEW/acb
Attachments

Copy sent to E. Branch 5/13/90



KEW:0006

OFFSET OPERATORS

PAYNE 11

Amoco Production Co.
2325 E. 30th Street
Farmington, New Mexico 87401

Meridian Oil Inc.
P.O. Box 4289
Farmington, New Mexico 87499

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

1. ☐ OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR

Union Texas Petroleum Corp.

3. ADDRESS OF OPERATOR

P.O. Box 2120 Houston, TX 77252-2120

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)

At surface

590' FNL & 810 FEL

WELL FILE

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, ST, CR, etc.)

6898 FR

5. LEASE DESIGNATION AND SERIAL NO.

SF-080517

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Payne

9. WELL NO.

11

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA

27-32N-10W

12. COUNTY OR PARISH 13. STATE

San Juan

NM

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETION

ABANDON*

CHANGE PLANE

Plug back to Frt Coal XX

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

We propose that the unproductive Dakota be plugged back and the Fruitland coal be opened and stimulated. This well was drilled and completed in the Dakota late in 1987. However, the Dakota is not capable of commercial gas production and has major crooked hole problems below 6500'. With an AOF of only 727 MCF/D a pipeline connection would not be economical. Since the Dakota is not productive, we looked for an uphole interval that would be productive. The Mesaverde already has a well in the quarter section and the Gallup Pictured Cliffs and Fruitland sands do not appear to be productive.

COPY TO:

DRLG

LAND

PROJ. COORD.

Steve Hunter
Farmington WF

REGULATORY

APR 23 1990

18. I hereby certify that the foregoing is true and correct

SIGNED

Steve White

TITLE Reg. Permit Coord.

DATE 4/9/90

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

OPERATOR

*See Instructions on Reverse Side

APPROVED

APR 16 1990

AREA MANAGER

Superior
Effective

Operator UNION TEXAS PETROLEUM		
Unit Letter A	Section 27	Township 32N
Actual Postage Location of Wells 590 feet from the North line and		
Ground Level Elev. 6898	Producing Formation Dakota	

Bill No.

11

N JUAN

st line

Dedicated Acres
E/2 305.22

1. Outline the acreage dedicated to the subject well

2 If more than one lease is dedicated to the well,
interest and royalty).

3. If more than one lease of different ownership is dated by communitization, unitization, force-pooling

☐ Yes ☐ No If answer is "yes," type of

If answer is "no," list the owners and tract description on this form if necessary.) _____

No allowable will be assigned to the well until all forced-pooling, or otherwise) or until a non-standard sion. S89° 40' W

$37 \cdot 56 +$
 $39 \cdot 58 +$
 $38 \cdot 67 +$
 $38 \cdot 07 +$
 $37 \cdot 87 +$
 $37 \cdot 90 +$
 $37 \cdot 99 +$
 $37 \cdot 96 +$
 $305 \cdot 020 +$

Is on the plat below.

ership thereof both as to we

ests of all owners been co

consolidated. (Use reverse's

(By communitization, unitization has been approved by the Co.

CERTIFICATION

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

Robert C. Fran

Name	Robert C. Frank
Position	Permit Coordinator
Company	Union Texas Petroleum
Date	July 27, 1987

I hereby certify that the well is shown on this plot was plotted from notes of actual surveys made by me and other persons, and that the location and position is the best

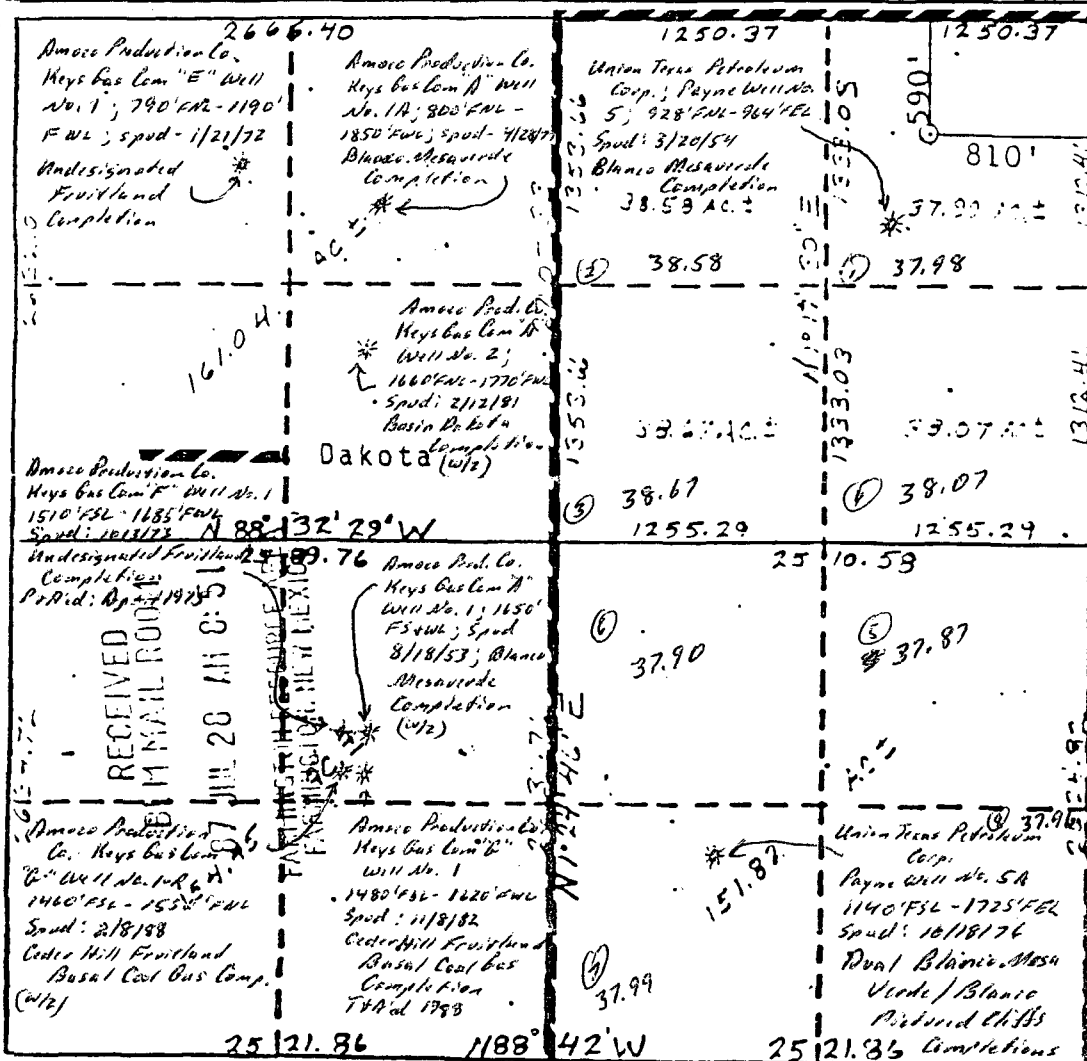
Date Surveyed
July 1, 1987
Registered Professional Engineer
and/or Land Surveyor

Cecil B. Tullis

Certificate No.

• 9672

Exhibit 7



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.
SF-080517

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
PAYNE

9. WELL NO.
11

10. FIELD AND POOL, OR WILDCAT
BASIN DAKOTA

11. SEC., T., S., R. OR B.L. AND
SURVEY OR AREA
Sec. 27, T32N-R10W

12. COUNTY OR PARISH
SAN JUAN

13. STATE
NM

SUNDRY NOTICES AND REPORTS ON WELLS
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. ☐ OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR
Union Texas Petroleum

3. ADDRESS OF OPERATOR
375 US Highway 64, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface
590' FNL & 810' FEL

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, OR, etc.)

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐
FRACTURE TREAT ☐
SHOOT OR ACIDIZE ☐
REPAIR WELL ☐
(Other) ☐

PULL OR ALTER CASING ☐
MULTIPLE COMPLETE ☐
ABANDON* ☐
CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐
FRACTURE TREATMENT ☐
SHOOTING OR ACIDIZING ☐
(Other) Reseeding ☒

REPAIRING WELL ☐
ALTERING CASING ☐
ABANDONMENT* ☐

(NOTE: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Union Texas Petroleum wishes to advise that the location was reseeded using BLM seed mixture #1. The areas reseeded were the top of location and the pit. The work was completed before September 5, 1988 and all above ground equipment was painted using specified colors (BLM GREEN).

RECEIVED

NOV 17 1988

OIL CON. DIV
DIST. 2

ACCEPTED FOR RECORD

NOV 15 1988

FARMINGTON RESOURCE AREA
FARMINGTON, NEW MEXICO

BY

[Signature]

18. I hereby certify that the foregoing is true and correct

SIGNED

[Signature]

TITLE

CONSTRUCTION FOREMAN

DATE

10/25/88

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

UNOCC

DATE

*See Instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other In-
structions on
reverse side)

Form approved
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL ☐ GAS ☒ DRY ☐ OTHER ☐
b. TYPE OF COMPLETION: NEW ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ REPERFORATE ☐ OTHER ☐

2. NAME OF OPERATOR
Union Texas Petroleum

3. ADDRESS OF OPERATOR
375 US Highway 64 Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 590' FNL & 810' FEL
At top prod. interval reported below
At total depth

14. PERMIT NO. OIL CON. DIV. DIST. 3

5. LEASE DESIGNATION AND SERIAL NO.
SF-080517

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
PAYNE

9. WELL NO.
11

10. FIELD AND POOL, OR WILDCAT
Basin Dakota

11. SEC. T. R., MD. OR BLOCK AND SURVEY OR AREA
Sec. 27 - T31N-R10W

12. COUNTY OR PARISH
San Juan

13. STATE
NM

15. DATE SPUDDED 9/2/87 16. DATE T.D. REACHED 9/23/87 17. DATE COMPL. (Ready to prod.) 11/7/87 18. ELEVATIONS (OF. RKB, RT. GR, ETC.)* 6898 G.L. 6910 KB 19. ELEV. CASINGHEAD 6899

20. TOTAL DEPTH, MD & TVD 8425 21. PLUG, BACK T.D., MD & TVD 8384 22. IF MULTIPLE COMPL., HOW MANY* N/A 23. INTERVALS DRILLED BY ROTARY TOOLS 10-8425 CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 8243-8380 (gross) Dakota 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN DIGL-GR, SDL-DSN-GR 27. WAS WELL CORRED No

CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8	36	1322	12-1/4	See attached	
7	23	4011	8-3/4	See attached	

LINER RECORD					TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKED SET (MD)
4-1/2	3808	8421	See attached		2-3/8	8356	N/A

31. PERFORATION RECORD (Interval, size and number)		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
33 total 0.32" holes 1 JSPF at 8243'-8259' 8298', 8304', 19', 20', 21', 22', 31', 33', 44', 46', 51', 52', 66', 70', 80'. 5050' squeeze holes		DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
		See attached	

33. PRODUCTION							
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
		Flowing				shut-in	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD. N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
5/13/88	3	3/4	→	Tr	89	Tr	N/A
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)	
50	1945 SICP	→	Tr	715	2	N/A	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Vented TEST WITNESSED BY Cliff Gates

35. LIST OF ATTACHMENTS
Cementing and Stimulation Record

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Robert C. Frank TITLE Permit Coordinator DATE 5/23/88

*(See Instructions and Spaces for Additional Data on Reverse Side)

7. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, flowing and shut-in pressures, and recoveries):				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Ojo Alamo Kirtland Fruitland Pictured Cliffs Lewis Mesaverde Mancos Gallup Greenhorn Graneros Dakota	2474 2623 3265 3719 3804 5252 6263 6650 8052 8117 8240	

Cementing Record

Surface

720 sx (850 cu.ft.) Cl "B" with 2% CaCl₂ and 1/4# flocele/sk. Lost circulation. Top out through 1" tubing with 250 sx (295 cu.ft.) Cl "B" with 2% CaCl₂.

Intermediate

400 sx (1148 cu.ft.) 65/35 POZ with 12% gel, 12-1/4# gilsonite/sk, tailed by 150 sx (177 cu.ft.) Cl "B" containing 2% CaCl₂. Circulate 30 bbls (168 cu.ft.) of cement to surface.

Liner

235 sx (660 cu.ft.) 65/35 POZ containing 12% gel, 6# hyseal/sk and 1.25 CF-10, tailed by 350 sx (550 cu.ft.) 50/50 POZ containing 4% gel, 6-1/4# gilsonite/sk, and 10# salt/sk. Lost circulation. Cement top at 6371'.

Stimulation Record

8243'-8380'

Acidize: 3000 gals 15% HCl and 66 - 7/8" ball sealers

Frac: 120,000# 20/40 sand in 110,000 gals
20# crosslink gelled water

5050'

Squeeze: 50 sx (59 cu.ft.) Cl "B" with 2% CaCl₂. Squeeze to 2000 psi. Test squeeze to 3000 psi for 15 minutes. Held.

3808'

Set packer at 3707'. Squeeze liner top with 50 sx (59 cu.ft.) Cl "B". Squeeze to 2000 psi. Test squeeze to 3000 psi for 15 minutes. Held.

RECEIVED
BLM MAIL ROOM
08 MAY 26 PM 1:01
FARMINGTON RESOURCE AREA
FARMINGTON, NEW MEXICO

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
OPERATOR	
PRODUCTION OFFICE	

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 08-01-83
Page 1

RECEIVED
MAY 26 1988
OIL CON. DIV.
DIST. 3

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL

I. Operator Union Texas Petroleum

Address 375 US Highway 64 Farmington, NM 87401

Reason(s) for filing (Check proper box)

☒ New Well	Change in Transporter of:	
☐ Recompletion	☐ Oil	☐ Dry Gas
☐ Change in Ownership	☐ Casinghead Gas	☐ Condensate

Other (Please explain) _____

If change of ownership give name
and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name <u>Payne</u>	Well No. <u>11</u>	Pool Name, including Formation <u>Basin Dakota</u>	Kind of Lease State, Federal or Fee <u>SF-080517</u>	Lease No.
Location				
Unit Letter <u>A</u>	<u>590</u> Feet From The <u>North</u> Line and <u>810</u> Feet From The <u>East</u>			
Line of Section <u>27</u>	Township <u>31N</u>	Range <u>10W</u>	NMPM, <u>San Juan</u>	County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☐ or Condensate ☒	Address (Give address to which approved copy of this form is to be sent)
<u>Giant Refining</u>	<u>P. O. Box 256, Farmington, NM 87499</u>
Name of Authorized Transporter of Casinghead Gas ☐ or Dry Gas ☒	Address (Give address to which approved copy of this form is to be sent)
<u>Sunterra Gas Gathering Co.</u>	<u>P. O. Box 1809, Bloomfield, NM 87413</u>
If well produces oil or liquids, give location of tanks.	Is gas actually connected? When
Unit <u>A</u> Sec. <u>27</u> Twp. <u>31N</u> Rge. <u>10W</u>	<u>No</u>

If this production is commingled with that from any other lease or pool, give commingling order number: _____

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

Robert C. Frank
(Signature)
Permit Coordinator
(Title)
May 23, 1988
(Date)

OIL CONSERVATION DIVISION

APPROVED MAY 26 1988
BY [Signature]
SUPERVISOR DISTRICT A
TITLE _____

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deeper well, this form must be accompanied by a tabulation of the deviat tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for all able on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of own well name or number, or transporter, or other such change of conditi

Separate Forms C-104 must be filed for each pool in multi-completed wells.

IV. COMPLETION DATA

Designate Type of Completion - (X)		Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
			X	X					
Date Spudded 9/2/87	Date Compl. Ready to Prod. 11/7/87		Total Depth 8425			P.B.T.D. 8384			
Elevations (DF, RKB, RT, CR, etc.) 6898 GL 6910 KB	Name of Producing Formation Dakota		Top Oil/Gas Pay 8243			Tubing Depth 8356			
Perforations 8243-8380 (gross)						Depth Casing Shoe 8421 KB (liner)			
TUBING, CASING, AND CEMENTING RECORD									
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT			
12-1/4	9-5/8		1322			970 sx (1105 cu.ft.)			
8-3/4	7		4011			550 sx (1325 cu.ft.)			
6-1/4	4-1/2		3808-8421			585 sx (1210 cu.ft.)			
	2-3/8		8356						

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D 715	Length of Test 3 hrs	Bbls. Condensate/MMCF Tr	Gravity of Condensate N/A
Testing Method (pitot, back pr.) back pressure	Tubing Pressure (Shut-in) 1943	Casing Pressure (Shut-in) 1945	Choke Size 3/4

MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Type Test ☒ Initial ☐ Annual ☐ Special		Test Date 5/13/88	
Company Union Texas Petroleum		Connection Sunterra Gas Gathering Co.	
Pool Basin		Formation Dakota	
Completion Date 11/7/87		Total Depth 8425	Plug Back TD 8384
		Elevation 6898 GL	Form or Lease Name Payne
Csg. Size 4.500	Wt. 23.0	d 6.366	Set At 4010
	10.5	4.052	3807-8421
Perforations: From 8243 To 8380		Well No. 11	
Tbg. Size 2.375	Wt. 4.7	d 1.995	Set At 8356
Perforations: From 8325 To 8328		Unit Sec. Twp. Rge. A 27 32N 10W	
Type Well - Single - Bradenhead - G.G. or G.O. Multiple Single-Gas		Packer Set At	
Producing Thru Tubing		County San Juan	
Reservoir Temp. °F #		State New Mexico	
Mean Annual Temp. °F		Baro. Press. - P _g 12	
L	H	G _g 0.695	% CO ₂ % N ₂ % H ₂ S Prover Meter Run Taps

FLOW DATA						TUBING DATA		CASING DATA		Duration of Flow
NO.	Prover Line Size	X	Orifice Size	Press. p.s.i.g.	Diff. h _w	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g.	
1.	2"		3/4"				1943		1945	
2.							50	68°	280	68°
3.										
4.										
5.										

RATE OF FLOW CALCULATIONS							
NO.	Coefficient (24 Hour)	$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor F _g	Super Compress. Factor, F _{pv}	Rate of Flow Q, Mcfd
1.	12.3650		62	0.9924	0.9982	1.011	715
2.							
3.							
4.							
5.							

NO.	P _r	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio	Mcf/bbl.
1.					A.P.I. Gravity of Liquid Hydrocarbons	Deq.
2.					Specific Gravity Separator Gas	XXXXXXXXXX
3.					Specific Gravity Flowing Fluid	XXXXXX
4.					Critical Pressure P.S.I.A.	P.S.I.A.
5.					Critical Temperature °R	°R

P _c 1957 P _c 2 3,829.849		(1) $\frac{P_c^2}{P_r^2 - P_w^2} = 1.0228$		(2) $\left[\frac{P_r^2}{P_r^2 - P_w^2} \right]^n = 1.0170$	
NO.	P _r ²	P _w	P _w ²	P _r ² - P _w ²	
1.		292	85,264	3,744,585	
2.					
3.					
4.					
5.					

Absolute Open Flow 727		Mcf/d @ 15.025		Angle of Slope @ 0.75	
Remarks: Blowing heavy mist.					

Approved By Division	Conducted By: Cliff Gates	Calculated By: John C. Rector	Checked By:
----------------------	------------------------------	----------------------------------	-------------

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL ☐ GAS WELL ☒ OTHER ☐		5. LEASE DESIGNATION AND SERIAL NO. SF-080517	
2. NAME OF OPERATOR Union Texas Petroleum		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
3. ADDRESS OF OPERATOR 375 US Highway 64, Farmington, NM 87401		7. UNIT AGREEMENT NAME N/A	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 590' FNL & 810' FEL		8. FARM OR LEASE NAME PAYNE	
14. PERMIT NO.		9. WELL NO. 11	
15. ELEVATIONS (Show whether DF, RT, GR, etc.)		10. FIELD AND POOL, OR WILDCAT Basin Dakota	
		11. SEC., T., R., M., OR B.L. AND SURVEY OR AREA Sec. 27, T32N-R10W	
		12. COUNTY OR PARISH San Juan	
		13. STATE NM	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF ☐	PULL OR ALTER CASING ☐	WATER SHUT-OFF ☐	REPAIRING WELL ☐
FRACTURE TREAT ☐	MULTIPLE COMPLETE ☐	FRACTURE TREATMENT ☐	ALTERING CASING ☐
SHOOT OR ACIDIZE ☐	ABANDON* ☐	SHOOTING OR ACIDIZING ☐	ABANDONMENT* ☐
REPAIR WELL ☐	CHANGE PLANS ☐	(Other) <u>Well status</u>	(Other) ☒
(Other) ☐		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

In response to your letter referenced SF-080517 (WC), 3162.3-1.0 (019), Union Texas Petroleum wishes to advise:

1. The subject well has been completed. However, during the completion the well developed problems with the liner hanger.
2. Due to lease stipulations (Bald Eagle) we were unable to move back on the well.
3. A remedial plan will be developed and the liner hanger repaired as soon as surface occupancy is permitted pursuant to our lease.

RECEIVED
MAR 31 1988
OIL CON. DIV.
(DIST. 3)

18. I hereby certify that the foregoing is true and correct.

SIGNED <u>Robert C. Frank</u>	TITLE <u>Permit Coordinator</u>	ACCEPTED FOR <u>880000</u> DATE <u>4/23/88</u>
(This space for Federal or State office use)		
APPROVED BY _____	TITLE _____	DATE _____
CONDITIONS OF APPROVAL, IF ANY:		
BY <u>SMV</u>		

*See Instructions on Reverse Side

NMOCC

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL ☐ GAS WELL ☒ OTHER ☐	5. LEASE DESIGNATION AND SERIAL NO. SF-080517
2. NAME OF OPERATOR Union Texas Petroleum	6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
3. ADDRESS OF OPERATOR 375 U.S. Highway 64 Farmington, New Mexico 87401	7. UNIT AGREEMENT NAME N/A
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 590' FNL & 810' FEL	8. FARM OR LEASE NAME PAYNE
14. PERMIT NO.	9. WELL NO. 11
15. ELEVATIONS (Show whether DF, RT, CR, etc.) 6898' G.L.	10. FIELD AND POOL, OR WILDCAT Basin Dakota
	11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA Section 27-T33N-R10W
	12. COUNTY OR PARISH San Juan
	13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐	PULL OR ALTER CASING ☐
FRACTURE TREAT ☐	MULTIPLE COMPLETE ☐
SHOOT OR ACIDIZE ☐	ABANDON* ☐
REPAIR WELL ☐	CHANGE PLANS ☐
(Other) ☐	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐	REPAIRING WELL ☐
FRACTURE TREATMENT ☐	ALTERING CASING ☐
SHOOTING OR ACIDIZING ☐	ABANDONMENT* ☐
(Other) Int. csg & prod. liner	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

1. Drill 8-3/4" hole to 4011'.
2. Run 7", 23#, K-55 intermediate casing to 4011'.
3. Cement with 400 sx (1148 cu.ft.) 65/35 POZ with 12% gel and 12-1/4# gilsonite, tailed by 150 sx (177 cu.ft.) CI "B" containing 2% CaCl2. Circulate 30 bbls (168 cu.ft.) of cement to surface.
4. Test BOP and manifold to 1500 psi. Test casing to 1500 psi. All held OK.
5. Drill 6-1/4" hole with gas to 8036'. Mud up and drill to TD of 8425'.
6. Log well.
7. Run 4-1/2", 10.5# liner from 3808'-7968' and 4-1/2", 11.6# from 7968'-8421'.
8. Cement with 235 sx (660 cu.ft.) 65/35 POZ containing 12% gel, 6#/sk Hyseal and 1.25% CF-10, tailed by 350 sx (550 cu.ft.) 50/50 POZ containing 4% gel, 6-1/4# gilsonite/sk and 10# salt/sk. Lost circulation during displacement. Cement top will be determined by bond log prior to completion.
9. Rig down, move off.

18. I hereby certify that the foregoing is true and correct

SIGNED

Robert C. Frank

TITLE

Permit Coordinator

DATE

10/02/1987

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

OCT 07 1987

DATE

Sm

OIL CON. DIV.

*See Instructions on Reverse Side

NMOCC

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL ☐ GAS WELL ☒ OTHER ☐		5. LEASE DESIGNATION AND SERIAL NO. SF-080517
2. NAME OF OPERATOR Union Texas Petroleum		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
3. ADDRESS OF OPERATOR 375 U.S. Highway 64, Farmington, New Mexico 87401		7. UNIT AGREEMENT NAME N/A
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 590' FNL & 810' FEL		8. FARM OR LEASE NAME PAYNE
14. PERMIT NO.		9. WELL NO. 11
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6898' G.L.		10. FIELD AND POOL, OR WILDCAT Basin Dakota
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 27-T33N-R10W
		12. COUNTY OR PARISH San Juan
		13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	☐	PULL OR ALTER CASING	☐
FRACTURE TREAT	☐	MULTIPLE COMPLETE	☐
SHOOT OR ACIDIZE	☐	ABANDON*	☐
REPAIR WELL	☐	CHANGE PLANS	☐
(Other)	☐		☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	☐	REPAIRING WELL	☐
FRACTURE TREATMENT	☐	ALTERING CASING	☐
SHOOTING OR ACIDIZING	☐	ABANDONMENT*	☐
(Other) Spud and Surface Casing	☒		☒

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Union Texas Petroleum wishes to advise that this well was spud at 11:30 AM on 9/2/87. A 12-1/4" hole was drilled to 1326' KB. Run 9-5/8", 36#, K-55 casing to 1322' KB, cementing to surface with 720 sx (850 cu.ft.) C1 "B" with 2% CaCl2 and 1/4# flocele/sk. Lost circulation. Run 1" tubing to 100' and cement to surface with 250 sx (295 cu.ft.) of C1 "B" with 2% CaCl2 and 1/4# flocele/sk. Circulate 5 bbls (28 cu.ft.) of cement to surface. Nipple up BOP and manifold, testing to 1000 psi. Held OK. Test casing to 1000 psi. Held OK. Drill 8-3/4" hole out of surface.

RECEIVED
BLNMAIL ROOM
87 SEP 11 AM 9:00
FARMINGTON RESOURCE AREA
FARMINGTON, NEW MEXICO

RECEIVED
SEP 17 1987
OIL CON. DIV./
DIST. 3

18. I hereby certify that the foregoing is true and correct

SIGNED Robert C. Frank TITLE Permit Coordinator DATE 09/09/1987
(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE SEP 15 1987
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

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 ☒

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Union Texas Petroleum

3. ADDRESS OF OPERATOR

375 U.S. Highway 64, Farmington New Mexico 87401

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

At surface

590' FNL & 810' FEL

At proposed prod. zone

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

3 miles north of Cedar Hill, New Mexico

15. DISTANCE FROM PROPOSED*

810' from lease

16. NO. OF ACRES IN LEASE

1680/1633.69

17. NO. OF ACRES ASSIGNED TO THIS WELL

E/2 305.02 acres

18. DISTANCE FROM PROPOSED LOCATION*

155'

19. PROPOSED DEPTH

8425'

20. ROTARY OR CABLE TOOLS

Rotary

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

6898 G.L. (graded)

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

22. APPROX. DATE WORK WILL START*

August 30, 1987

23. "GENERAL REQUIREMENTS" PROPOSED CASING AND CEMENTING PROGRAM

This section is subject to technical and
procedural review pursuant to 43 CFR 3165.4-
and appeal pursuant to 43 CFR 3165.4-
JURISDICTION OF CEMENT

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	32.3#	1320'	750 sxs (885 cu.ft.)
8-3/4"	7"	23.0#	4010'	375 sxs (907 cu.ft.)
6-1/4"	4-1/2" liner	10.5	3810'-8425'	555 sxs (871 cu.ft.)

Union Texas Petroleum wishes to advise we intend to drill 12-1/4" hole with mud to 1320+ and set 9-5/8" 32.3#, H-40, ST&C csg. to 1320'+, cementing to surface with 750 sxs (885 cu.ft.) C1 "B" with 2% CaCl2 and 1/4# flocele/sk. Wait on cement for 12 hrs.

Nipple up, test BOP. Drill 8-3/4" hole with mud out of surface to 4010'. Set 7", 23.0#, K-55, ST&C intermediate csg. to 4010', cementing to surface with 275 sxs (789 cu.ft.) 65-35 POZ with 12% gel and 12-1/4# gilsonite/sk, tailed by 100 sxs (118 cu.ft) C1 "B" with 2% CaCl2.

Drill 6-1/4" hole with air out of intermediate to a TD of 8425'. Log well, run 4-1/2", 10.5#, K-55, ST&C liner from 3810' to 8425'. Cement liner into intermediate csg with 555 sxs (871 cu.ft.) 50-50 POZ with 4% gel, 6-1/4# gilsonite/sk, and 10# salt/sk.

Following perforation and treatment of the Dakota formation, standard production equipment will be installed. Buried cathodic protection cable will be tied in the existing thermo-electric generator on the Payne 5. An Unorthodox Location Request has been made of the NMOCD.

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

Robert C. Frank

TITLE

Permit Coordinator

DATE

July 24, 1987

(This space for Federal or State office use)

PERMIT NO.

APPROVED BY

RECEIVED
AUG 26 1987

APPROVED

AS AMPLIFIED

APPROVED BY

TITLE

DATE

AUG 24 1987

CONDITIONS OF APPROVAL, IF ANY:

/s/ James E. Edwards Jr.

AREA MANAGER

Hold C-104 for NSL
EB

NMOCD

OIL CON. DIV.
DIST. 3

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-1
Effective 1-1-87

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

Operator UNION TEXAS PETROLEUM			Lease PAYNE		Well No. 11
Unit Letter A	Section 27	Township 32N	Range 10W	County SAN JUAN	
Actual Footage Location of Wells 590 feet from the North line and 810 feet from the East line					
Ground Level Elev. 6898	Producing Formation Dakota	Pool Basin	Dedicated Acreage E/2 305.02 Acres		

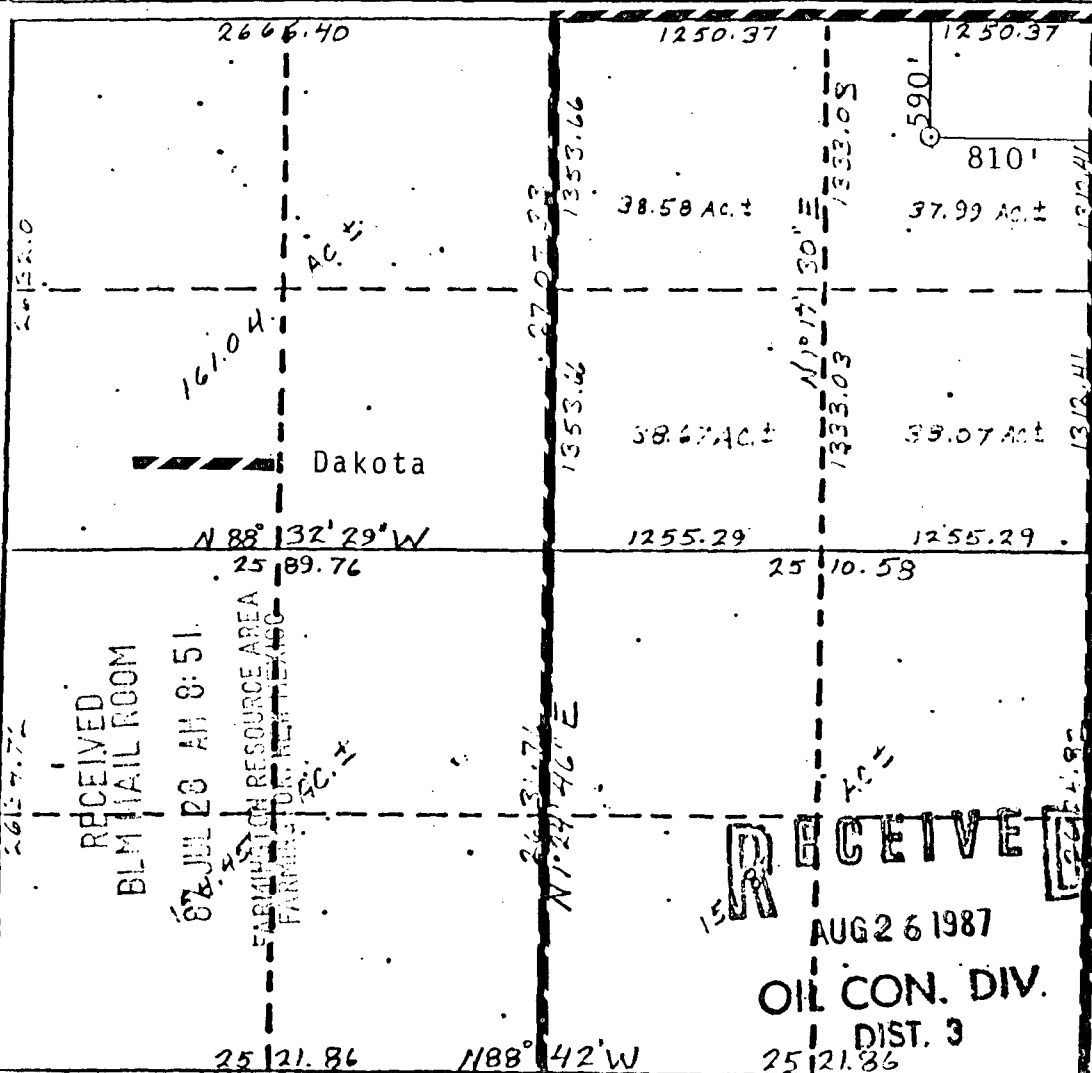
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
 3. If more than one lease of different ownership 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 _____

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.

S89° 49' W

N86° 39' W



CERTIFICATION

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

Robert C. Frank

Name
Robert C. Frank
Position
Permit Coordinator
Company
Union Texas Petroleum
Date
July 27, 1987

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 are true and correct to the best of my knowledge and belief.

Cecil B. Tullis

Date Surveyed
July 1, 1987
Registered Professional Engineer and/or Land Surveyor

Cecil B. Tullis

Certificate No.

9672

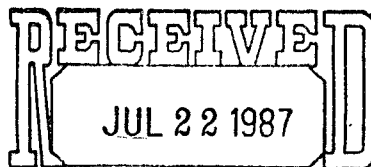
Exhibit I

Release Date:
Aug 10, 1987

By DR



Union Texas Petroleum



OIL CONSERVATION DIVISION
SANTA FE

July 21, 1987

N.M. Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501-2088

Re: Administrative Approval
Unorthodox Location Approval
Payne #11
590' FNL & 810' FEL
Section 27, T32N-R10W

375 U.S. Highway 64
Farmington, New Mexico 87401
Telephone (505) 325-3587

NBL-2382
RUE-104FE

Basin Dakota Pool
300 Acres dedicated
E/2 Section 27

Dear Mr. LeMay:

San Juan County, N.M.

Union Texas Petroleum requests Administrative Approval for an Unorthodox Location for an Basin Dakota Completion. A standard location is not possible due to topography and existing structures.

The only offset operators adjacent to the Basin Dakota "proration" unit are Meridian Oil, Inc., Northwest Pipeline and Amoco Production Company. They were notified by a letter of this date of our intentions.

If I may be of any further assistance, please advise.

Very truly yours,

Robert C. Frank
Permit Coordinator

RCF:bjs
attachments

cc: NMOC-D-Aztec

OK E.B.
Aztec
8-20-87



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

August 24, 1987

Union Texas Petroleum
375 U.S. Highway 64
Farmington, NM 87401

Attention: Robert C. Frank

Administrative Order NSL-2382

Gentlemen:

Reference is made to your application for a non-standard location for your Payne Well No. 11 to be located 590 feet from the North line and 810 feet from the East line of Section 27, Township 32 North, Range 10 West, NMPM, Basin Dakota Pool, San Juan County, New Mexico. The E/2 of said Section 27 shall be dedicated to the well.

By authority granted me under the provisions of Rule 104 F(I), the above-described unorthodox location is hereby approved.

Sincerely,

A handwritten signature in dark ink, appearing to read "William J. Lemay", with a long, sweeping horizontal stroke extending to the right.

WILLIAM J. LEMAY
Director

WJL/DRC/ag

cc: Oil Conservation Division - Aztec



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

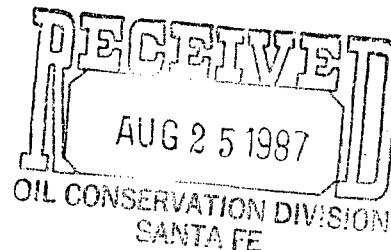
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 8-3-87

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

NSL-2382



Gentlemen:

I have examined the application dated 7-22-87
for the Union Texas Petroleum Corp. Payee #1 A-27-32N-10W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

E. Busch

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-121
Effective 1-1-83

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

Operator UNION TEXAS PETROLEUM			Lease PAYNE		Well No. 11
Well Letter A	Section 27	Township 32N	Range 10W	County SAN JUAN	
Actual Footage Location of Well 590 feet from the North line and 810 feet from the East line					
Ground Level Elev. 6898	Producing Formation Dakota		Pool Basin		Dedicated Acreage E/2 305.22 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?

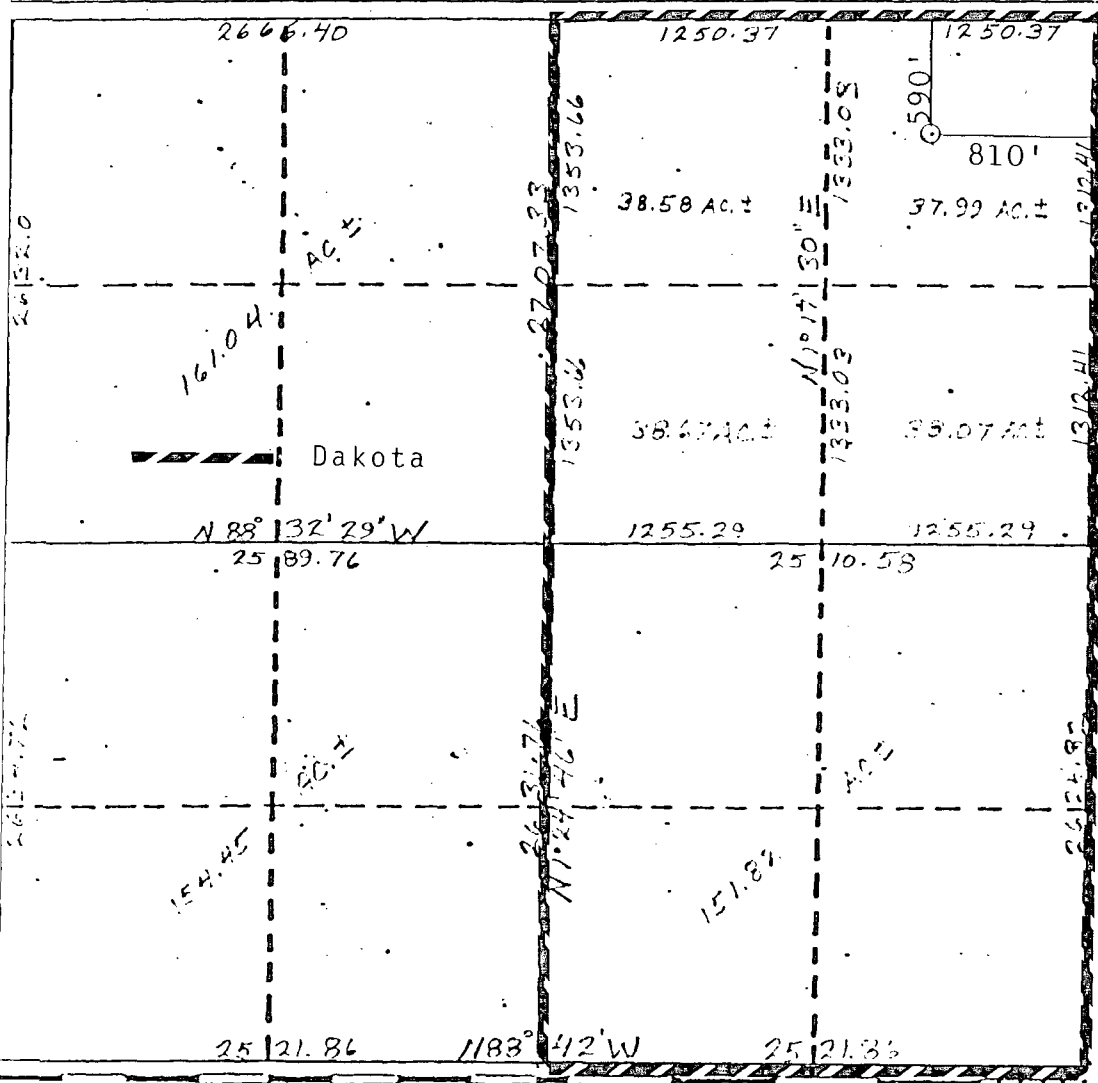
☐ Yes ☐ No If answer is "yes," type of consolidation _____

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.

S89° 49' W

N86° 29' W



CERTIFICATION

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

Robert C. Frank

Name
Robert C. Frank
Position
Permit Coordinator
Company
Union Texas Petroleum
Date
July 27, 1987

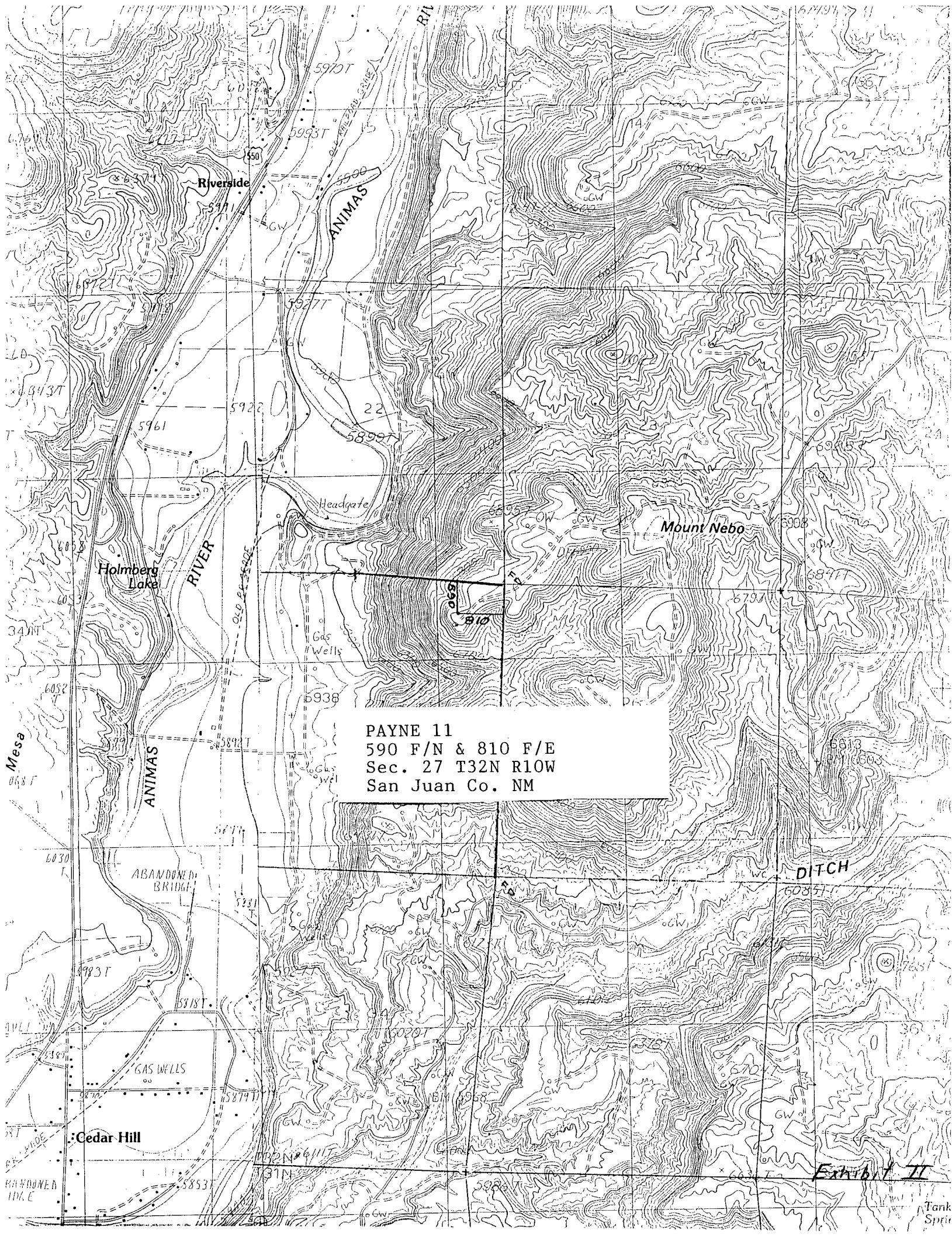
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Cecil B. Tullis

Date Surveyed
July 17, 1987
Registered Professional Engineer
and/or Land Surveyor

Cecil B. Tullis

Certificate No.



Riverside

ANIMAS

Mount Nebo

Holmberg Lake

RIVER

Headgate

Gas Wells

ANIMAS

ABANDONED BRIDGE

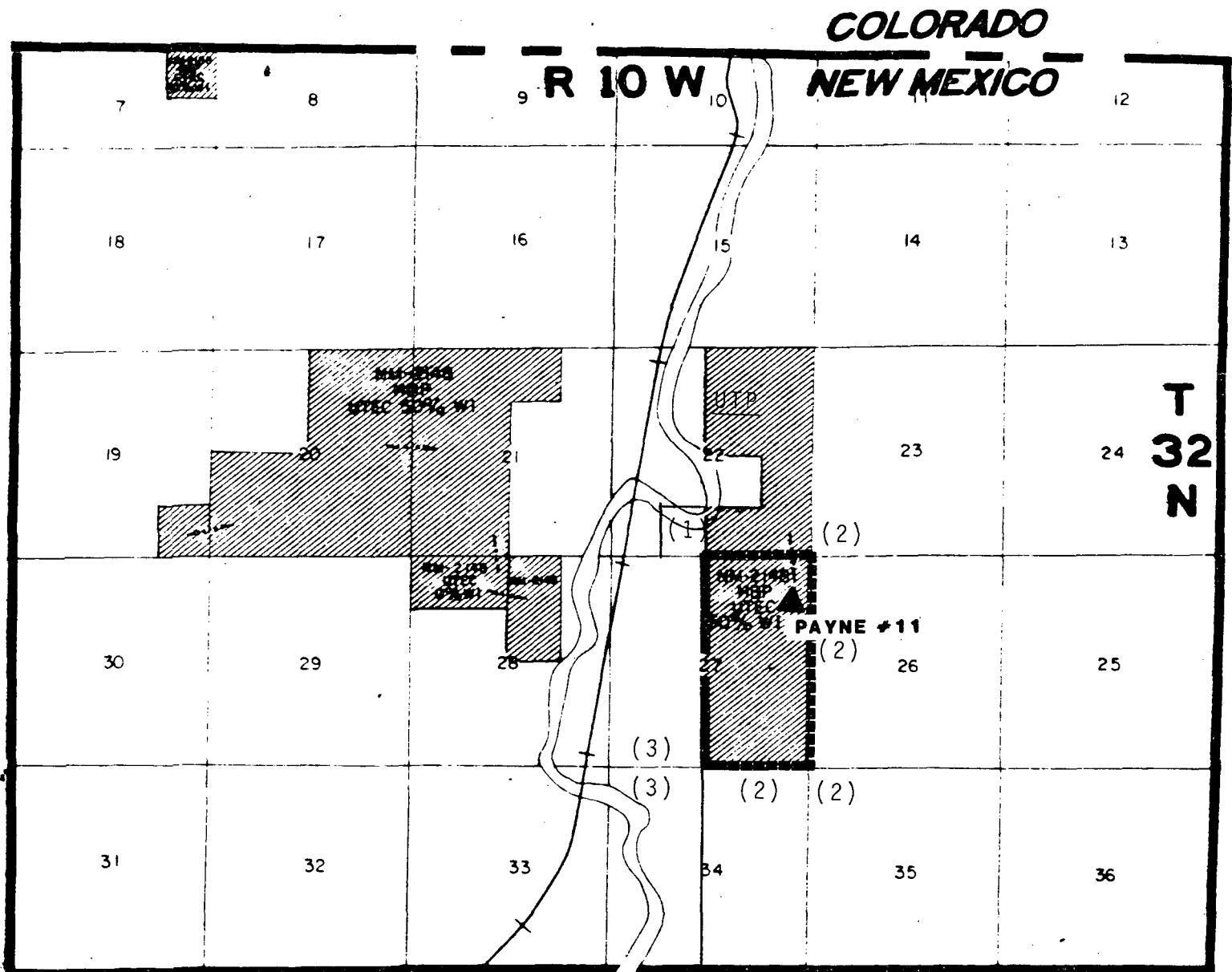
DITCH

Cedar Hill

PAYNE 11
590 F/N & 810 F/E
Sec. 27 T32N R10W
San Juan Co. NM

Exhibit II

Tank
Spring



- (1) Northwest Pipeline
- (2) Meridian Oil INC.
- (3) Amoco Production

