

Jay Gabbard / Phone: 405-748-2759 / Fax: 405-751-5129

**Louis Dreyfus Natural
Gas Corporation**

NSL-GAB.N7

Fax**To:** Mike Stagner @ NMOCD**From:** Jay Gabbard**Fax:** 505-827-8177**Pages:** 6**Phone:** 505-827-8185**Date:** January 22, 1997**Re:** Application for Unorthodox Location**CC:** T. Kellahin☒ **Urgent**☒ **For Review**☐ **Please Comment**☐ **Please Reply**☐ **Please Recycle****• Comments:** If all pages are not received, please call 405-748-2759.

District I
PO Box 1080, Hobbs, NM 88241-1980
District II
911 South First, Artesia, NM 88210
District III
1000 Rio Grande Rd., Alamogordo, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1 Operator Name and Address: LOUIS DREYFUS NATURAL GAS CORP. 14000 Quail Springs Prkwy., Ste. 600 Oklahoma City, OK 73134		2 OGRID Number 025773
		3 API Number 30 - 0
4 Property Code	5 Property Name McKittrick Federal Com 29	6 Well No. 22

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	29	22S	26E		1715	North	1160	West	Eddy

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
9 Proposed Pool 1 Happy Valley (Morrow)					10 Proposed Pool 2				

11 Work Type Code N	12 Well Type Code G	13 Cable/Rotary Rotary	14 Lease Type Code S	15 Ground Level Elevation 3412'
16 Multiple No	17 Proposed Depth 11,600'	18 Formation Morrow	19 Contractor N/A	20 Spud Date Upon Approval

21 Proposed Casing and Cement Program

Well Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
20"	16"	75	350'	400 Sx C	Surface Circ
14 3/4"	10 3/4"	40.5	1650'	960 Sx C	Surface Circ
9 1/2"	7 5/8"	26.4-29.7	9200'	780 Sx C	1450'
6 1/2"	5"	15	11,600'	320 Sx C	9000'

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Fresh water sand will be protected by setting 16" casing at 350' and circulating cement to surface. First intermediate 10 3/4" casing will be set at 1650' and cement will be circulated to surface. Second intermediate 7 5/8" casing will be set at 9200' and cement circulated to 1450'. A 5" liner will be set from 9000' to 11,600' and cement circulated to 9000'.

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

Signature:

Gene Simer

Printed name:

Gene Simer

Title:

Production Foreman

Date:

1-22-97

Phone:

885-1313

OIL CONSERVATION DIVISION

Approved by:

Title:

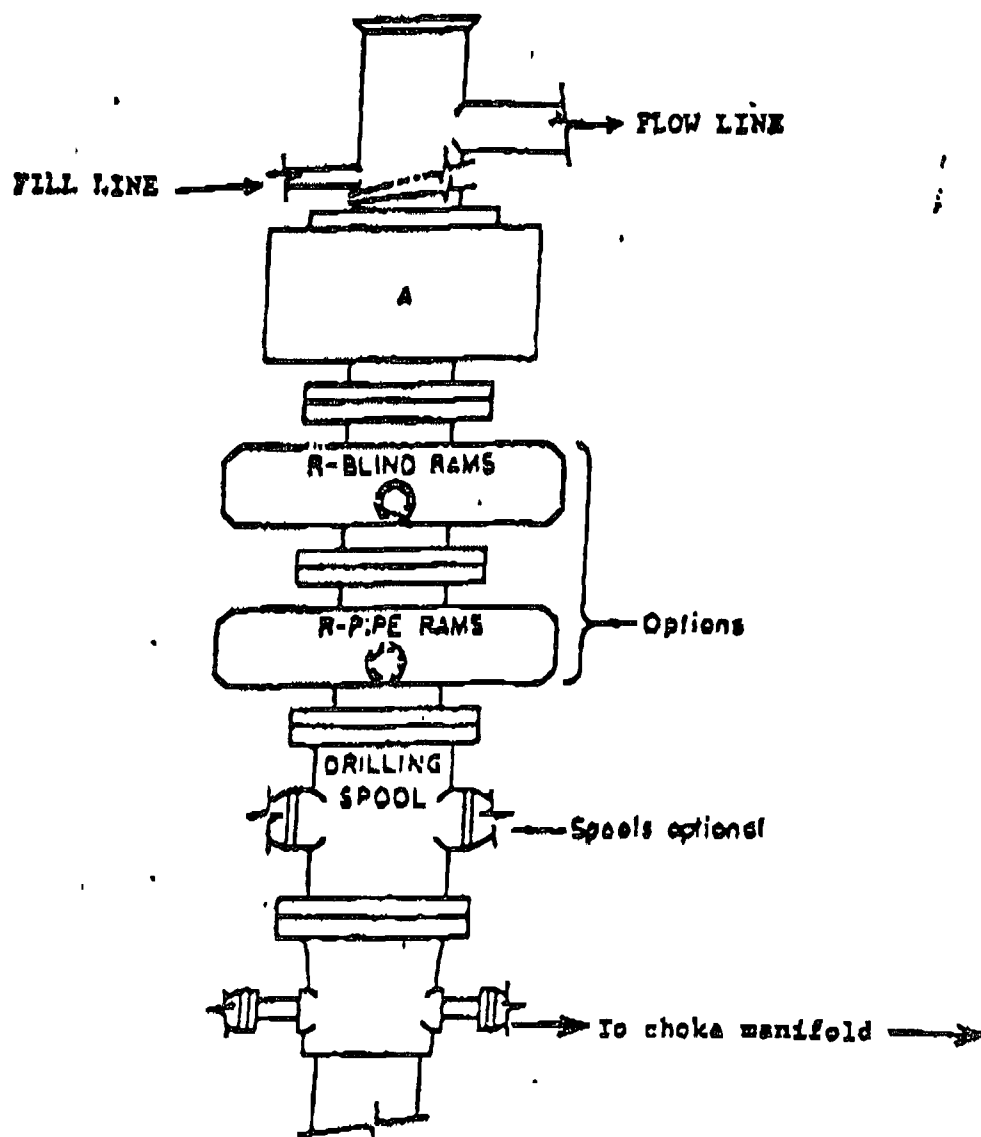
Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

BOP Sketch to be Used on
Louis Drayfus Natural Gas Corp.
McKittrick Federal Com. 29-22
Sec. 29, T-22S, R-26E
Eddy County, New Mexico



ARRANGEMENT SRRA

900 Series
3000 PSI WP

[illegible]

LOUIS DREYFUS NATURAL GAS
NMOCD CASE 11686
W/2 Section 29-T22S-R26E - Happy Valley
Eddy County, New Mexico

SURFACE TOPOGRAPHIC MAP

CONTOUR INTERVAL: 20 FT.

1000 500 0 1000 2000

Scale in Feet

District I
PO Box 1999, Hobbs, NM 88241-1999
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Grande Rd., Alamogordo, NM 87416
District IV
PO Box 1028, Santa Fe, NM 87504-2028

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name	
Property Code		Property Name			
		McKITTRICK FEDERAL COM 29-22			
OCD No.		Operator Name			
		LOUIS DREYFUS NATURAL GAS			
					Well Number
					22
					Elevation
					3412.

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South Line	Feet from the	East/West Line	County
8	29	22-S	26-E		1715	NORTH	1160	WEST	EDDY

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South Line	Feet from the	East/West Line	County
Dedicated Acres		Jolei or Infill		Consolidation Code		Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	16		1715'		1160'	

17 OPERATOR CERTIFICATION

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

Signature: Gene Simer

Printed Name: Gene Simer

Title: Production Foreman

Date: January 14, 1997

18 SURVEYOR CERTIFICATION

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 belief.

Date of Survey: JANUARY 9, 1997

Signature and Seal of Registered Professional Surveyor: [Signature]

Seal:

Louis Dreyfus Natural Gas

14000 Quail Springs Parkway, Suite 600
Oklahoma City, Oklahoma 73134-2600
Phone: (405) 748-2759
Fax: (405) 751-5129

January 22, 1997

New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505
Fax: 505-827-8177

Attention: Mike Stagner, Examiner

Re: Application for Unorthodox Location
McKittrick Federal Com 29 No. 22
Section 29 - T22S - R26E, 1715 FNL 1160 FWL
Eddy County, New Mexico
11600' Morrow

Dear Mr. Stagner:

Per our telephone conversation today, I have faxed you copies of our APD (C-101), location and acreage dedication plat (C-102), and a topo map for the referenced well application. Louis Dreyfus Natural Gas as operator of the proposed well, asks the NMOCD's permission to drill and produce the well at this unorthodox location due to severe sloping conditions at standard locations for this 40 acre drillsite. We have a rig contracted to spud the well by February 15, 1997.

While the proposed location is not a location exception, it is not 330 feet from the inside boundary between the SW NW and the SE NW of the W/2 spacing unit. As the topo map indicates, there is a severe wash or ravine to the west of the location. Our production foreman in Carlsbad, Gene Simer, walked this quarter-quarter with the surveyor and reported this as the only feasible location.

Penwell Energy, who represents the SE NW of the section, has signed our operating agreement, and is aware of the encroachment. They have agreed not to oppose our producing horizons subject to 40 acre spacing rules in this well at such time as the deep horizons are abandoned.

I appreciate your help in expediting this application. If you need anything else or have questions, don't hesitate to call me at 405-748-2759.

Sincerely,



Jay M. Gabbard, P.E.
Reservoir Engineer

cc: T. Kellahin