

8/29/97

9/18/97

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NSL

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ SD

AUG 29 1997

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply[A] ☐ Working, Royalty or Overriding Royalty Interest Owners[B] ☐ Offset Operators, Leaseholders or Surface Owner[C] ☐ Application is One Which Requires Published Legal Notice[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

James Bruce
P.O. Box 1056
Santa Fe, NM 87504

Print or Type Name

Note: Statement must be completed by an individual with supervisory capacity.

Signature

Title

Date

James Bruce

Attorney for Applicant

8/29/97

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

SUITE B
612 OLD SANTA FE TRAIL
SANTA FE, NEW MEXICO 87501

(505) 982-2043
(505) 982-2151 (FAX)

August 19, 1997

Hand Delivered

Michael E. Stogner
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Division Rule 104.F(2), Louis Dreyfus Natural Gas Corporation ("Dreyfus") applies for administrative approval of an unorthodox gas well location for the following well:

White Wing "22" Fed. Com. Well No. 23
1980 feet FSL & 2635 feet FWL
S½ S22, Township 22 South, Range 26 East, NMPM
Eddy County, New Mexico

The well will be drilled to test the Morrow formation (Undesignated Happy Valley-Morrow Gas Pool). Well spacing is 320 acres. An APD (Form 3160-3) and Form C-102 for the well are attached hereto as Exhibit A.

The proposed location is non-standard due to topographic reasons. The original proposed location was 1650 feet FSL and 1650 feet FWL. Attached as Exhibit B is a topographic map of the area. Barry Hunt at the Bureau of Land Management ("BLM") directed Dreyfus to move the well a substantial distance to the northeast, due to (i) some degree of slope at the original location, (ii) the flatness of the proposed location, and (iii) an existing lease road near the BLM's requested location.

Submitted as Exhibit C is a land plat around the proposed well. All of Section 22 is comprised of a single federal lease. In addition, the well is not moving toward any offsetting lease. Thus, no other operator has been notified of this application. **Because of the availability of a rig, Dreyfus requests expedited approval of this application.**

This application is submitted in duplicate. Please call me if you need anything further on this matter.

Very truly yours,



James Bruce

Form 3160-3
(July 1992)SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
SONE ☒MULTIPLE
SONE ☐

2. NAME OF OPERATOR

LOUIS DREYFUS NATURAL GAS CORPORATION (KENT SAMS)

3. ADDRESS AND TELEPHONE NO.

14000 QUAIL SPRINGS PARKWAY SUITE 600 OKLAHOMA CITY, OK 73134

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

1980' FSL & 2635' FWL SEC. 22 T22S-R26E EDDY CO. NM

At proposed prod. sctn SAME

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

Approximately 1 mile West of Carlsbad New Mexico.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit (Use, if any)

660'

16. NO. OF ACRES IN LEASE

1520

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED, 1010'
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

11,800'

20. ROTARY OR CABLE TOOLS

ROTARY

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

3349' GR.

22. APPROX. DATE WORK WILL START*

As soon as approved

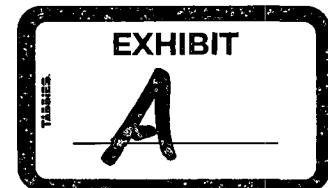
23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor 20"	NA	40'	Cement to surface with Redi-mix
17 1/2"	J-55 13 3/8"	54.5	500'	400 Sx. Circulate to surface
12 1/2"	K-55 9 5/8"	36	1700'	900 Sx. Circulate to surface
8 3/4"	S-95 7"	26	9000'	980 Sx. Est top of cement 1500'
6 1/8"	S-95 4 1/2"	13.5	11,800'	175 Sx. Est top of cement 9000'

SEE ATTACHED SHEET

Jay Gabbard



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: "If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE

Agent

DATE

07/22/97

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to these rights in the subject lease which would entitle the applicant to conduct operations thereon
CONDITIONS OF APPROVAL IF ANY:

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

This form is the property of the Bureau of Land Management, U.S. Department of the Interior.

orig.

District I
PO Box 1900, Hobbs, NM 88241-1900
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Grande Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

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

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
		78060	HAPPY VALLEY - MORROW
Property Code	Property Name		Well Number
	WHITE WING 22 FEDERAL		23
OCRED No.	Operator Name		Elevation
25773	LOUIS DREYFUS NATURAL GAS CORP.		3349.

16 Surface Location

TL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	22	22-S	26-E		1980	SOUTH	2635	WEST	ENDY

11 Bottom Hole Location If Different From Surface

TL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Area	Joint or In/In	Consolidation Code	Order No.
320			

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				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Gene Simer</i> Signature Gene Simer Printed Name Production Foreman Title July 14, 1997 Date
				18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was placed 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. JULY 11, 1997 Date of Survey Signatures and Seal of Professional Surveyor 

EXHIBIT "A"



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
ROS WELL DISTRICT OFFICE
2909 West Second Street
Roswell, New Mexico 88202



IN REPLY REFER TO:
3162.4 (06200)
LC-064490

JUL 23 1997

Louis Dreyfus Natural Gas Corporation
c/o Tierra Exploration
Attn: Joe T. Janica
P. O. Box 2188
Hobbs, NM 88241

Dear Mr. Janica:

Your Application for Permit to Drill (APD), the White Wing "22" Fed Com Well No. 23, 1980' FSL and 2635' FWL, Section 22, T. 22 S., R. 26 E., Eddy County, New Mexico, Lease No. LC-064490 was received on July 23, 1997.

The APD has been reviewed pursuant to part III.B.2 of Oil and Gas Onshore Order No. 1, except for the Archaeological Survey Report, and is found to be:

 X Administratively complete

 Administratively deficient in the following items marked with an "X"

 Form 3160-3

 Survey Plat

 Bonding

 Drilling Plan

 BOP Diagram

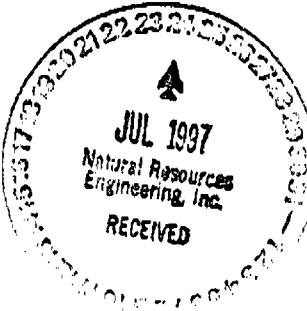
 Choke Manifold Diagram

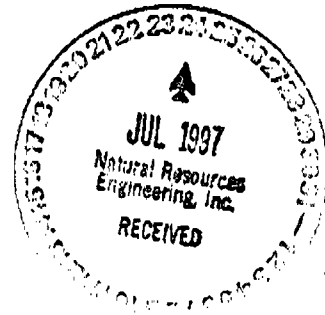
 H₂S Drilling Plan

 Surface Use Plan (including certification statement)

 Private Surface Owner's Agreement or Statement that an agreement has been reached concerning surface use

 Other:



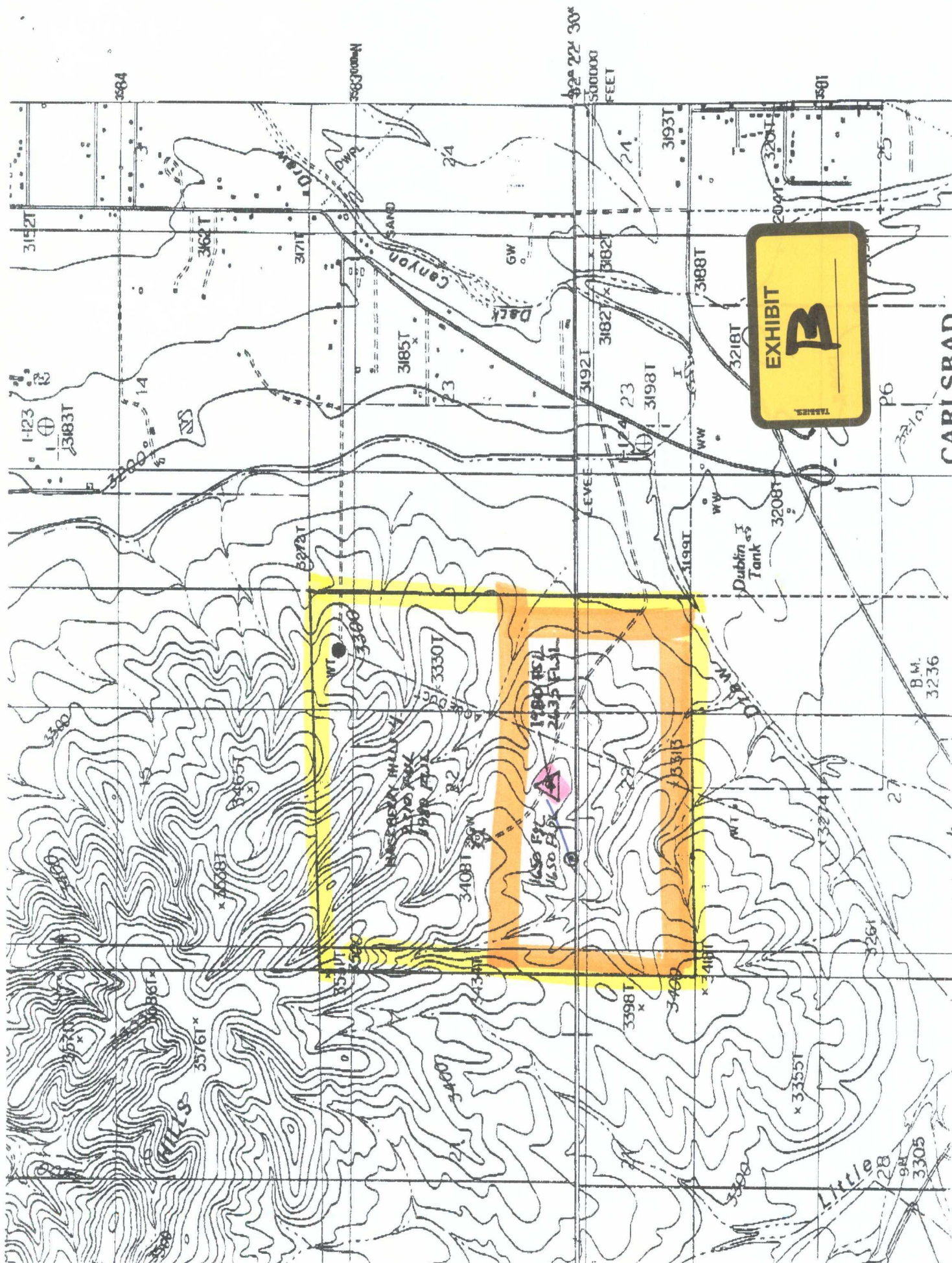


Please submit six (6) copies of each of the above noted deficiencies, except for the Archaeological Survey Report. Technical adequacy of the APD will be determined during processing and you will be contacted if additional information is required.

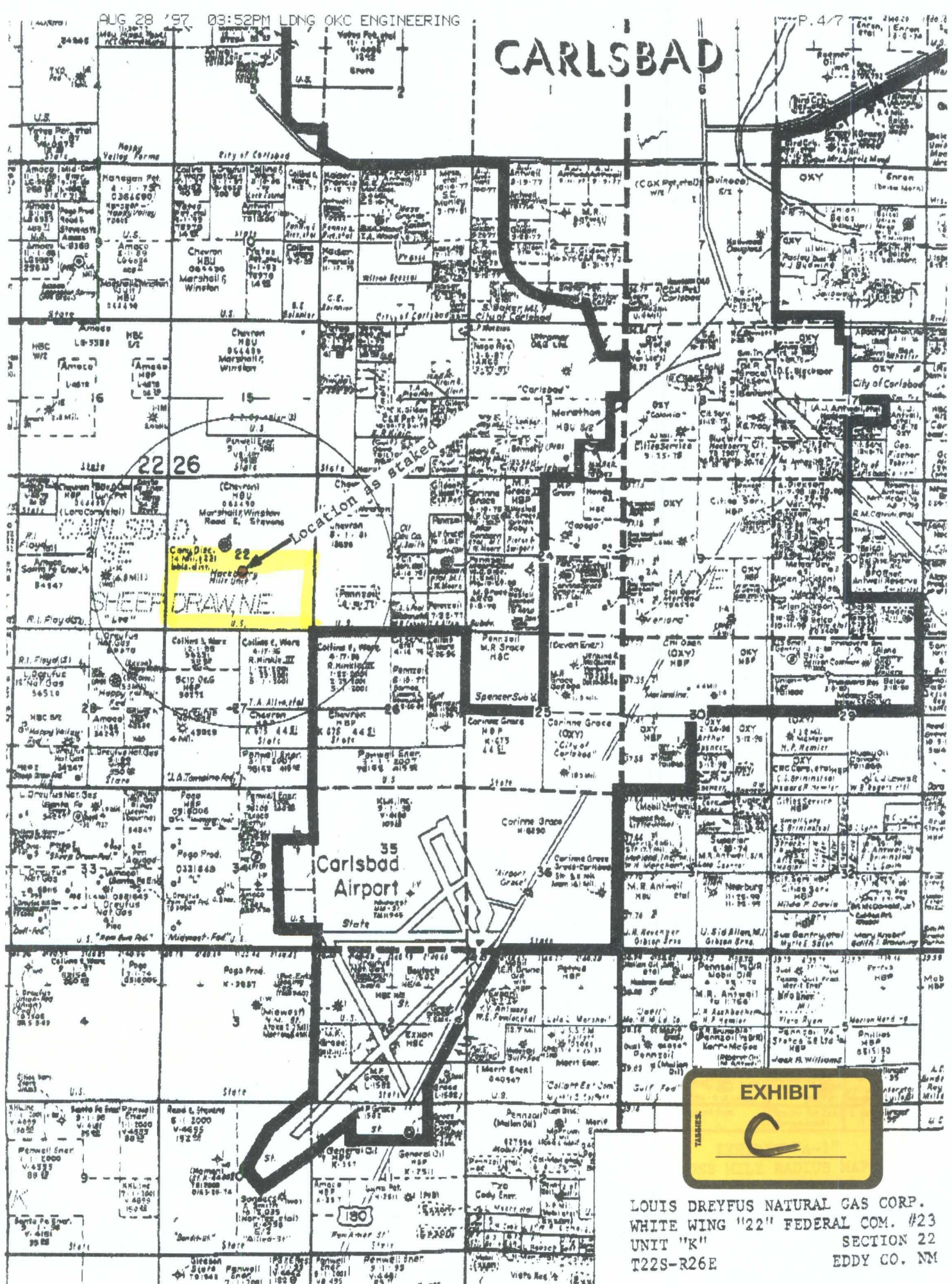
If you would like to know whether the Archeological Survey Report has been filed with the BLM, call Paul Evans in the Carlsbad Resource Area Office at (505) 887-6544.

Sincerely,

74 Tony L. Ferguson
Assistant District Manager,
Minerals Support Team



CARLSBAD



LOUIS DREYFUS NATURAL GAS CORP.
 WHITE WING "22" FEDERAL COM. #23
 UNIT "K"
 T22S-R26E
 SECTION 22
 EDDY CO. NM

CMD :
OG6CI01

ONGARD
C101-APPLICATION FOR PERMIT TO DRILL

09/16/97 14:35:08
OGOMES -EMGS

OGRID Idn : 25773 API Well No: 30 15 29833 APD Status(A/C/P): A
Opr Name, Addr: LOUIS DREYFUS NATURAL GAS CORP. Aprvl/Cncl Date : 08-25-1997
14000 QUAIL SPRINGS PARKWAY
OKLAHOMA CITY,OK 73134

Prop Idn: 21545 WHITE WING 22 FEDERAL COM Well No: 23

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: K	22	22S	26E			FTG 1980 F S	FTG 2635 F W
OCD U/L	: K		API County	: 15				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 3349

State Lease No: Multiple Comp (Y/N) : N
Prpsd Depth : 11800 Prpsd Frmtn : MORROW

E0009: Enter data to modify record

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06 CONFIRM
PF07	PF08	PF09 PRINT	PF10 C102	PF11 HISTORY	PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

09/16/97 14:35:03
OGOMES -EMGS
PAGE NO: 2

Sec : 22 Twp : 22S Rng : 26E Section Type : **NORMAL**

L 40.00 Federal owned	K 40.00 Federal owned A	J 40.00 Federal owned	I 40.00 Federal owned
M 40.00 Federal owned	N 40.00 Federal owned	O 40.00 Federal owned	P 40.00 Federal owned

PF01 **HELP**
PF07 **BKWD**

PF02
PF08 **FWD**

PF03 **EXIT**
PF09 **PRINT**

PF04 **GoTo**
PF10 **SDIV**

PF05
PF11

PF06
PF12

Mike Stogner

From: Florene Davidson
Sent: Tuesday, September 16, 1997 8:16 AM
To: Mike Stogner
Subject: RE: R-10859

Yes. It was entered in Case No. 11825 and signed August 11. It was a dismissal order for Nearburg Exploration Company, L.L.C.

From: Mike Stogner
Sent: Monday, September 15, 1997 12:19 PM
To: Florene Davidson
Subject: R-10859

Is there an order No. R-10859?