

|                 |                  |             |              |          |
|-----------------|------------------|-------------|--------------|----------|
| DATE IN 9/14/98 | SUSPENSE 10/5/98 | ENGINEER MS | LOGGED BY NW | TYPE NSL |
|-----------------|------------------|-------------|--------------|----------|

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -

**ADMINISTRATIVE APPLICATION COVER SHEET**

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

Check One Only for [B] and [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 understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

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

William F. Carr  
Print or Type Name

Signature

Attorney  
Title

9/14/98  
Date

OIL CONSERVATION DIV.  
 98 SEP 14 PM 2:59

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
MICHAEL H. FELDEWERT  
ANTHONY F. MEDEIROS  
PAUL R. OWEN  
KATHERINE M. MOSS  
  
JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
FACSIMILE: (505) 983-6043  
E-MAIL: ccbspa@ix.netcom.com

September 14, 1998

**HAND-DELIVERED**

Lori Wrotenbery, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

98 SEP 14 PM 2:59  
OIL CONSERVATION DIV.

Re: *Application of Enron Oil & Gas Company for Administrative Approval of an Unorthodox Well Location for its Sabres "19" Federal Com Well No. 1, 1846 feet from the North line and 926 feet from the West line of Section 19, Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico.*

Dear Ms. Wrotenbery:

Enron Oil & Gas Company hereby seeks administrative approval pursuant to the provisions of Division Rule 104 F (2) adopted on January 18, 1996, of an unorthodox well location for its Sabres "19" Federal Com Well No. 1 to be drilled at an unorthodox well location 1846 feet from the North line and 926 feet from the West line Section 19, Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico.

The well will be drilled to a depth sufficient to test the Morrow formation. This location in the Morrow formation, the principal objective in this well, is unorthodox because it is governed by the Division's statewide rules which provide for wells on 320-spacing units to be located no closer than 330 feet to any quarter-quarter section or subdivision inner boundary.

Lori Wrotenbery, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
September 14, 1998  
Page 2

This unorthodox location is required by geologic conditions. Attached hereto as Exhibit A is a Gross Morrow Isopach Map which shows a well at the proposed location will encounter a thicker section of the Morrow formation than a well drilled at the nearest orthodox location. Offsetting Morrow development is also shown on this exhibit.

As you will note from the copy of Division Form C-102 which is attached hereto as Exhibit B, this is an irregular section due to a variation in the U. S. Public Land Surveys. The subject spacing unit contains 262 acres and comprises the W/2 equivalent of this section. The proposed unorthodox location is only 84 feet from an internal quarter-quarter section line, as shown on this plat. Accordingly, there are no other affected parties to whom notice of this application must be provided.

Your attention to this matter is appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a stylized flourish at the end.

WILLIAM F. CARR  
Attorney for Enron Oil & Gas Company

Enclosures

cc: Patrick J. Tower  
Enron Oil & Gas Company

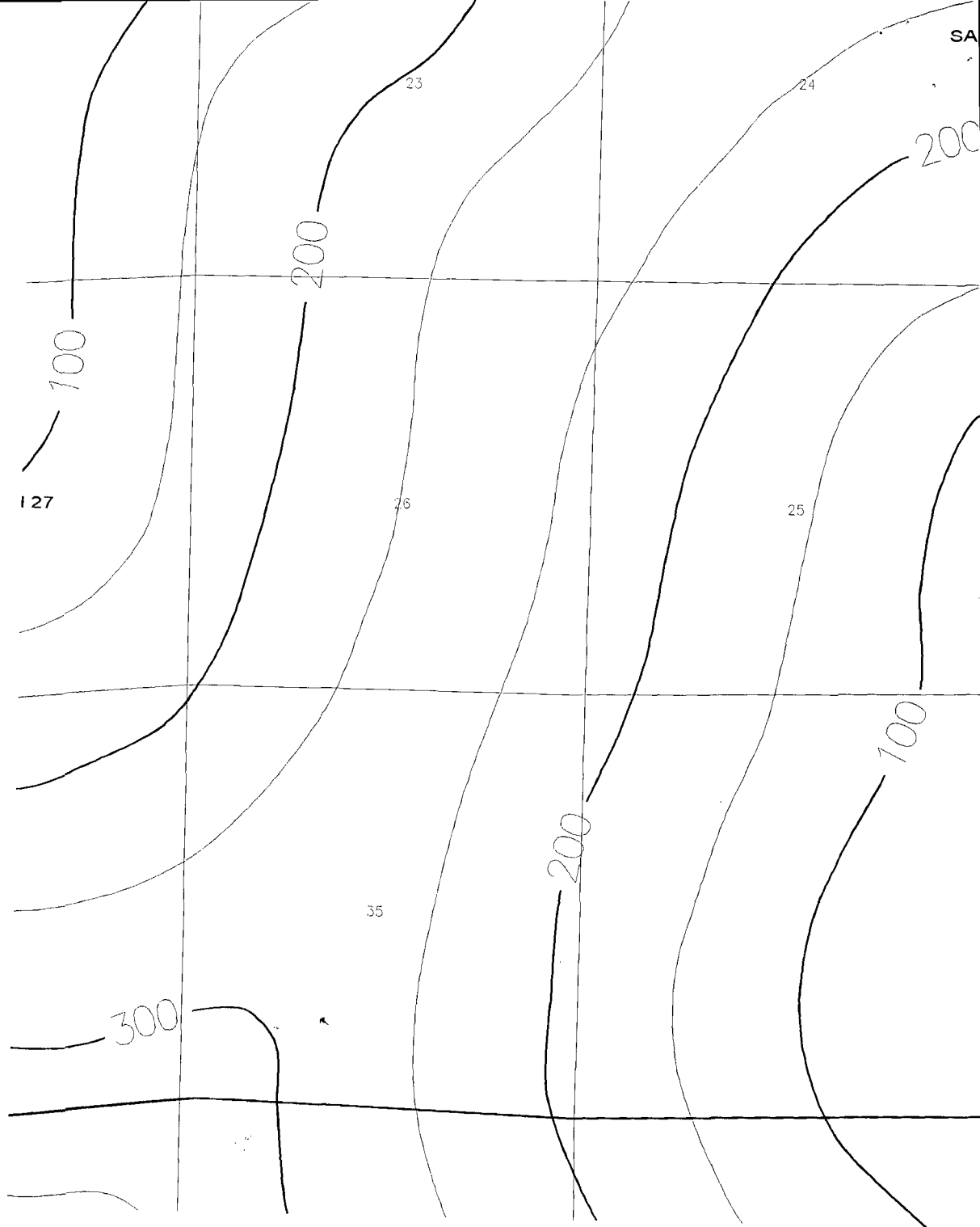


EXHIBIT A

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer DD, Artesia, NM 88211-0719

District III  
1000 Rio Brazos 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 21, 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<br>Sand Tank Morrow |  |
| 'Property Code    |  | 'Property Name<br>SABRES "19" FEDERAL COM. |  |                                |  |
| 'Well Number<br>1 |  |  |  |                                |  |
| 'OGRD No.<br>7377 |  | 'Operator Name<br>ENRON OIL & GAS COMPANY  |  |                                |  |
|                   |  | 'Elevation<br>3692'                        |  |                                |  |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| F             | 19      | 16-S     | 29-E  |         | 1846          | NORTH            | 926           | WEST           | EDDY   |

<sup>11</sup> 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

|                            |                  |                     |            |
|----------------------------|------------------|---------------------|------------|
| 'Dedicated Acres<br>262.16 | 'Joint 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<br>Lot 1<br>25.49 ac. | 40 ac |  |  | <p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Linda Johnston</i><br/>Signature<br/>Linda Johnston<br/>Printed Name<br/>Agent<br/>Title<br/>9/1/98<br/>Date</p> |
| Lot 2<br>25.53 ac.       | 40 ac |  |  |   |
| Lot 3<br>25.55 ac.       | 40 ac |  |  |   |
| Lot 4<br>25.59 ac.       | 40 ac |  |  |   |

LAT.=32°54'33.51"  
LONG.=104°07'03.83"  
Y=694586.0  
X=566168.0

<sup>18</sup> 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 best of my belief.

AUGUST 6, 1998  
Date of Survey

Signature and Seal of Surveyor

EARL FOOTE  
NEW MEXICO  
REGISTERED PROFESSIONAL LAND SURVEYOR  
8278

Certificate Number 8278

EXHIBIT B

CMD :  
OG5\$ECT

ONGARD  
INQUIRE LAND BY SECTION

09/30/98 13:34:10  
OGOIV -EMFH  
PAGE NO: 1

Sec : 19 Twp : 16S Rng : 29E Section Type : NORMAL

|   |  |  |  |
|---|--|--|--|
| 1<br>25.49<br>CS<br>LG4079 0000 03/87<br>CAL-MON OIL COMPA          | C<br>40.00<br><br>Federal owned<br><br>A | B<br>40.00<br><br>Federal owned          | A<br>40.00<br><br>Federal owned<br><br>P |
| 2<br>25.53<br>CS<br>LG4079 0000 03/87<br>CAL-MON OIL COMPA<br><br>A | F<br>40.00<br><br>Federal owned<br><br>A | G<br>40.00<br><br>Federal owned<br><br>A | H<br>40.00<br><br>Federal owned<br><br>A |

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

65.49  
65.53  
          
131.02

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

09/30/98 13:34:16  
OGOIV -EMFH  
PAGE NO: 2

Sec : 19 Twp : 16S Rng : 29E Section Type : NORMAL

|   |                                 |  |  |
|---|---------------------------------|--|--|
| 3<br>25.55<br>CS<br>LG4079 0000 03/87<br>CAL-MON OIL COMPA<br>A | K<br>40.00<br><br>Federal owned | J<br>40.00<br><br>Federal owned                            | I<br>40.00<br><br>Federal owned                            |
| 4<br>25.59<br>CS<br>B02885 0011 05/44<br>ENRON OIL & GAS C<br>A | N<br>40.00<br><br>Federal owned | O<br>40.00<br>CS<br>LG4079 0000 03/87<br>CAL-MON OIL COMPA | P<br>40.00<br>CS<br>LG4079 0000 03/87<br>CAL-MON OIL COMPA |

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

111  
65.55  
65.59  
          
121.14  
131.02  
          
252.16