



Stearns

cc

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

September 24, 2003

John R. Stearns d/b/a Stearns
HC 65 Box 988
Crossroads, New Mexico 88114

Re: *Administrative application (application reference No. pMES0-325255283) for an exception to Division Rule 104.C (2) (a), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, for your existing State "16" Well No. 1-Y (API No. 30-025-34070) to be recompleted into the Undesignated West Sawyer-Morrow Gas Pool (97103) at an unorthodox deep gas well location 330 feet from the South line and 940 feet from the East line (Unit P) of Section 16, Township 9 South, Range 37 East, NMPM, Lea County, New Mexico, within a standard 320-acre stand-up gas spacing unit comprising the E/2 of Section 16.*

Dear Mr. Stearns:

Due to your total disregard of notice in this matter under Division Rule 1207A. (2) [see copy attached]; this application, deemed incomplete, is hereby **denied** and is being returned.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs

19.15.14.1207 NOTICE REQUIREMENTS FOR SPECIFIC ADJUDICATIONS:

A. Applicants for the following adjudicatory hearings before the division or commission shall give notice in addition to that required by 19.15.14.1204 NMAC as set forth below:

(2) Unorthodox Well Locations:

(a) Definition: "affected persons" are the following persons owning interests in the adjoining spacing units:

(i) the division-designated operator;

(ii) in the absence of an operator, any lessee whose interest is evidenced by a written document of conveyance either of record or known to the applicant as of the date the application is filed; and

(iii) in the absence of an operator or lessee, any mineral interest owner whose interest is evidenced by a written document of conveyance either of record or known to the applicant as of the date the application was filed.

In the event the operator of the proposed unorthodox well is also the operator of an existing adjoining spacing unit and ownership is not common between the adjoining spacing unit and the spacing unit containing the proposed unorthodox well, then "affected persons" include all working interest owners in that spacing unit.

(b) If the proposed location is unorthodox by being located closer to the outer boundary of the spacing unit than permitted by Rule, notice shall be given to the affected persons in the adjoining spacing units towards which the unorthodox location encroaches.

(c) If the proposed location is unorthodox by being located in a different quarter-quarter section or quarter section than provided in special pool orders, notice shall be given to all affected persons.

Rec: 9-8-03

NSL

P MESO- 325255283

Susp. 9-29-03

John R. Stearns *d/b/a Stearns*

HC 65 Box 988
Crossroads, NM 88114
505-675-2356

RECEIVED

SEP 08 2003

OIL CONSERVATION
DIVISION

September 3, 2003

Attn: Mike Stogner
New Mexico Oil Conservation Division
Engineering Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: State 16 1-Y - Recompletion
330' FSL & 940' FEL, Unit P, Sec. 16, T9S, R37E
Non-Standard Location, Lea County, NM

30-025-34070

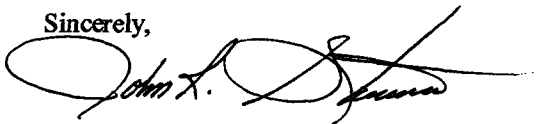
Dear Sir,

John R. Stearns respectfully requests approval of a non-standard location for the recompletion of the above mentioned well. This well is currently being produced in the Devonian formation and we would like to recomplete this well in the Morrow formation.

The State 16 Lease consists of the entire 640 acres of Sec. 16, T9S, R37E. We would like to dedicate the East 320 acres of this section to the recompletion of this well.

Enclosed are a map and a C-102 denoting the location of the State 16 1-Y. There are no adjacent leases producing in the Morrow formation. If additional information is need, please let us know at your earliest convenience.

Sincerely,



John R. Stearns
Owner/Operator

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34070	² Pool Code	³ Pool Name MARROW
⁴ Property Code 28926	⁵ Property Name STATE 16	⁶ Well Number 1Y
⁷ OGRID No. 21566	⁸ Operator Name JOHN R. STEARNS dba STEARNS	⁹ Elevation 3989'

¹⁰ Surface Location

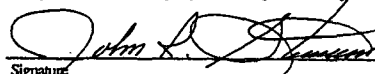
UL or lot no. P	Section 16	Township 9S	Range 37E	Lot Idn	Feet from the 330'	North/South line South	Feet from the 940'	East/West line EAST	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 320	¹³ Joint or Infill N	¹⁴ Consolidation Code —	¹⁵ Order No.
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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.  Signature John R. STEARNS Printed Name OWNER Title and E-mail Address Aug 28, 2003 Date 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. MARCH 17, 1997 Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

330' — 940' —

