

Post-it Fax Note 7672

To	MICHAEL STOGNER	No. of Pages	4	Today's Date	11/13/02	Time	
Company	OIL CONSERVATION DIVISION	From	JOSEPH J. KELLY				
Location	SANTA FE, NEW MEXICO	Company	ELK OIL COMPANY				
Fax #	505-426-3462	Location	Roswell, NM				
Telephone #		Dept. Charge					
Comments	Fax # 505-623-5001 Telephone # 505-623-3190						
Original Disposition:	<input type="checkbox"/> Destroy <input type="checkbox"/> Return <input type="checkbox"/> Call for pickup						

PLEASE FIND REQUEST FOR APPROVAL OF NON-STANDARD LOCATION.
HARD COPIES TO FOLLOW IN MAIL.

ELK OIL COMPANY

BOX 310

JOSEPH J. KELLY
PRESIDENT

ROSWELL, NEW MEXICO 88202

(505) 623-3190

November 13, 2002

Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Michael Stogner

Re: Bluegill State #1
2310' FNL; 1980' FSL
Section 32-T9S-R27E
Chaves County, New Mexico

Gentlemen:

Elk Oil Company respectfully requests administrative approval for a non-standard gas well in the locations as referenced above.

Elk is requesting offset leaseholders to approve said non-standard location. Yates Petroleum is the only leaseholder.

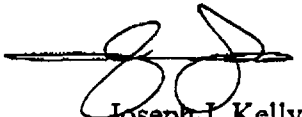
Elk is enclosing the following information.

- (1) State Forms C-101 and C-102.
- (2) Lease map outlining offset leaseholds.

Please approve our request for a non-standard location.

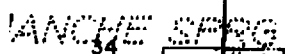
Yours very truly,

ELK OIL COMPANY


Joseph J. Kelly
President

JJK/jgb
Enc.

STG



District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd, Artesia, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources DepartmentOIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87504-2088

Form C-101

Revised February 10, 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 ELK OIL COMPANY P.O. BOX 310 ROSWELL, NEW MEXICO 88202-0310		2 OGRID Number 7147
		3 API Number 30-0
4 Property Code	5 Property Name BLUEGILL STATE	6 Well No. 1

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
F	32	9S	27E		2310	NORTH	1980	WEST	CHAVES

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 FOOR RANCH PRE PERMIAN					10 Proposed Pool 2				

11 Work Type Code N	12 Well Type Code G	13 Cable/Rotary R	14 Lease Type Code S	15 Ground Level Elevation 3910'
16 Multiple NO	17 Proposed Depth 6800'	18 Formation FUSSELMAN	19 Contractor PATTERSON	20 Spud Date 11/18/02


21 Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Seals of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	1440'	600 SXS	CIRCULATE
7 7/8"	5 1/2"	15.5#	6800'	600 SXS	4700'

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.

Propose to drill and test the Fusselman and intermediate formations.
If commercial, production casing will be run and cemented.
We will perforate and stimulate as needed for production.

BOP Program: See attached.

Mud Program: 0-1000' FW / Gel / Paper / LCM; 1000'-4400' Brine;
4400'-6800' Starch / Salt Gel.

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved By:	
Printed name: JOSEPH J. KELLY		Title:	
Title: PRESIDENT		Approval Date:	
Date: 11/12/02		Expiration Date:	
Phone: 505-623-3190		Conditions of Approval:	
		Attached:	

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Grande Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural ResourcesOIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 76730		3 Pool Name FOOR RANCH PRE-PERMIAN	
4 Property Code		Bluegill State		5 Property Name	
6 OGRID No. 7147		Elk Oil		7 Well Number 1	
		8 Operator Name		9 Elevation 3910	

10 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	32	9	27		2310	FNL	1980	FWL	Chaves

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

12 Dedicated Acres 320	13 Joint or Infill	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 ELK OIL COMPANY Signature: Printed Name: Joseph J. Kelly Title: President Date: November 12, 2002	
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. 				19 	

ELK OIL COMPANY

BOX 310

ROSWELL, NEW MEXICO 88202

(505) 623-3190

JOSEPH J. KELLY
PRESIDENT

November 15, 2002

Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Michael Stogner

Re: Non-Standard Location
Bluegill State #1
2310' FNL; 1980' FSL
Section 32-T9S-R27E
Chaves County, New Mexico

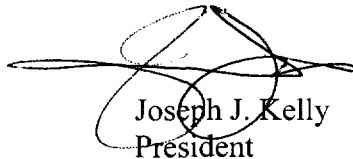
Gentlemen:

Enclosed please find an executed copy of Yates Petroleum's approval of Elk Oil Company's non-standard approval of the above referenced.

If there are any questions, please advise.

Yours very truly,

ELK OIL COMPANY



Joseph J. Kelly
President

JKK/jgb
Enc.

ELK OIL COMPANY

BOX 310

ROSWELL, NEW MEXICO 88202

(505) 623-3190

JOSEPH J. KELLY
PRESIDENT

November 13, 2002

As an offset mineral owner, Yates Petroleum Corporation has no objections to Elk Oil Company's proposed non-standard location for its' Bluegill State #1 well, at a location of 2310' FNL; 1980' FWL of Section 32, Township 9 South, Range 27 East, Chaves County, New Mexico, provided the spacing unit is a stand up 320, being a W/2 dedication.

YATES PETROLEUM CORPORATION

By:  _____ *cm*

Vice-President

Title

11-15-02

Date

TRANSACTION REPORT

P. 01

NOV-18-2002 MON 04:06 PM

FOR:

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
NOV-18	04:05 PM	915056235001	42"	2	SEND	OK	930	
TOTAL :						42S PAGES:	2	



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

November 18, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Elk Oil Company
Box 310
Roswell, New Mexico 88202
Attention: Joseph J. Kelly

Fax No. (505) 623-5001

Administrative Order NSL-4811

Dear Mr. Kelly:

The New Mexico Oil Conservation Division (NMOCD) received your application on November 15, 2002, (*application reference No. pKRV0231829435*) requesting an unorthodox gas well location in the Fusselman and Wolfcamp formations for the proposed Bluegill State Well No. 1. This well is to be drilled at a location 2310 feet from the North line and 1980 feet from the West line (Unit F) of Section 32, Township 9 South, Range 27 East, NMPM, Chaves County, New Mexico.

The W/2 (320 acres) of Section 32, Township 9 South, Range 27 East, NMPM, Chaves County, New Mexico is to be dedicated to this well for all pools based on 320 acre gas spacing and proration units. The primary target of this well is the Foor Ranch-PrePermian (Gas 76730) Pool. The secondary target is the Wolfcamp Gas - which is undiscovered in this area.