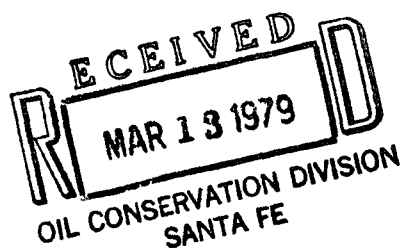




Southern Union Exploration Company
First International Building
Dallas, Texas 75270
(214) 748-8511



NSP - 1138
Rule 104 D II
Apr 12, 1979

March 8, 1979

State of New Mexico
Energy and Minerals Dept.
Oil Conservation Division
P. O. Box 1980
Hobbs NM 88240

Attn: Mr. Jerry Sexton

Re: Application for Non-Standard Unit
Austin (Mississippian Field)
Lea County, New Mexico

NW/4 Sec 17 - 14S - 36E

Dear Sir:

In accordance with New Mexico Rule 104, D, II, d, which pertains to Non-Standard Units; Southern Union Exploration Company is hereby requesting designation of a non-standard unit for the proposed SX State "17" Well #1, located in Unit F of Section 17, T-14-S, R-36-E. The non-standard unit comprises the NW/4 of the section. This is a proposed 13,500' Mississippian in the Austin Field.

Attached, please find NMOCC forms C-101, C-102 and a list of offset operators who were accordingly notified by copy of this memo and attachments by certified mail.

In connection with the above letter, it has just been brought to my attention that there is a possibility that Adobe Oil and Gas Corp. is an operator in this area. They were not listed as current lease holders in the area, but I have notified them by certified mail in case they are.

A copy of this letter and Commission forms have been sent as of 3/8/79.

Very truly yours,

Ronald M. Sentz

Drilling & Production Engineer

RMS:jb

att.

cc: Adobe Oil & Gas Corporation
Certified Mail, Return Receipt Requested

RECEIVED
MAR 13 1979
 OIL CONSERVATION DIVISION

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE Type of Lease	
STATE <input checked="" type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No.	
LG - 3333	
7. Unit Agreement Name	
8. Farm or Lease Name	
State "17"	
9. Well No.	
1	
10. Field and Pool, or Wildcat	
5 Austin (Miss)	
12. County	
Lea	
19. Proposed Depth	19A. Formation
13500'	Mississippian
20. Rotary or C.T.	
Rotary	
21. Elevations (show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond
	Blanket
21B. Drilling Contractor	22. Approx. Date Work will start
Not contracted	12-1-78

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK	
1a. Type of Work	
DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	
b. Type of Well	
OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator	
Southern Union Exploration Company	
3. Address of Operator	
1800 First International Building, Dallas, Texas 75270	
4. Location of Well	
UNIT LETTER F LOCATED 1980 FEET FROM THE North LINE	
AND 1980 FEET FROM THE West LINE OF SEC. 17 TWP. 4S RGE. 36E NMPM	
19. Proposed Depth	
13500'	
19A. Formation	
Mississippian	
20. Rotary or C.T.	
Rotary	
21. Elevations (show whether DF, RT, etc.)	
21A. Kind & Status Plug. Bond	
Blanket	
21B. Drilling Contractor	
Not contracted	
22. Approx. Date Work will start	
12-1-78	

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48#	370'	450	Circ.
11"	8-5/8"	24 & 32#	4680'	1000	Circ.
7-7/8"	5-1/2"	17#	13500'	1500	8000'

This is a Mississippian completion attempt at the proposed depth of 13,500'. We propose to set 370 feet of 13-3/8" casing and cement it to the surface, 4680 feet of 8-5/8" intermediate casing cemented to the surface, and, in the event commercial production is found, 5-1/2" casing will be set and cemented with 1500 sacks of cement. Once 13-3/8" casing is run, a blowout preventor consisting of blind rams, pipe rams and hydrill type preventor will be installed and tested to 1000 psi for 30 minutes. When 8-5/8" casing is set, the casing and BOP will be tested to 1500 psi for 30 minutes. The BOP will be tested to 5000 psi at about 10,000 feet. A PVT, flow sensor and pump stroke counter will be used.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

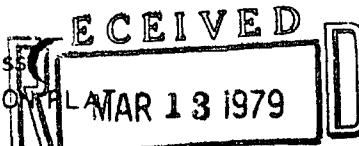
Signed James D. Elli Title Chief Petroleum Engineer Date 10-13-78

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT



Form C-102
 Supersedes C-128
 Effective 1-1-65

All distances must be from the outer boundaries of the Section

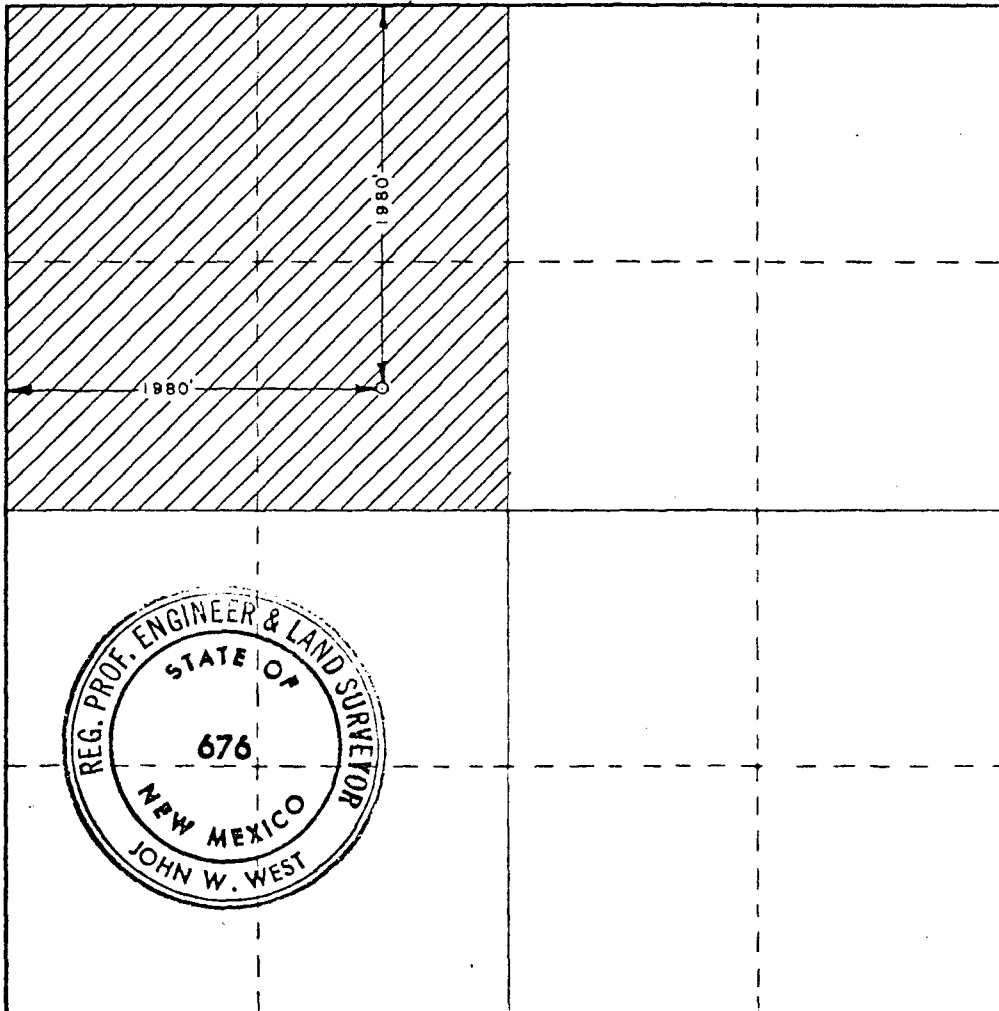
Operator Southern Union Exploration Co.			Lease State 17		OIL CONSERVATION DIVISION SANTA FE		Well No. 1
Unit Letter F	Section 17	Township 14 South	Range 36 East	County Lea			
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the West line							
Ground Level Elev. 3962.0	Producing Formation Mississippian		Pool Austin		Dedicated Acreage: 160 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

James G. Ellis
 Name

James G. Ellis

Position
Chief Petroleum Engineer

Company
Southern Union Exploration Company

Date
January 9, 1979

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 knowledge and belief.

Date Surveyed
October 12, 1973

Registered Professional Engineer and/or Land Surveyor

John W. West
 Certificate No. **John W. West**