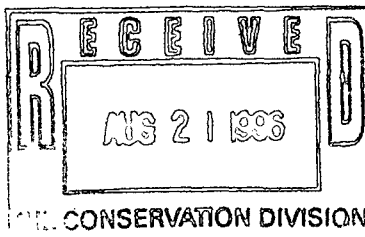


**JACK HUFF**

Oil and Gas Producer



August 15, 1996

New Mexico Energy Minerals &  
Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, NM 87505

Attn: Mr. Michael Stogner  
Chief Hearing Officer/Engineer

Re: Administrative application for the formation of a non-standard 40 acre gas proration unit in the Eumont Gas Pool comprising the NE/4 SE/4 (Unit I) of Section 14, T-19-S, R-36-E, NMPM, Lea County, NM for the Jack Huff, Bern -A- #2 at a location of 660' FEL & 1980' FSL of said Section 14.

Dear Mr. Stogner:

In reference to your letter dated August 8, 1996, I provide the following information you requested therein:

- 1) Land plat showing all off-setting Eumont gas spacing and proration units.
- 2) Copy of Administrative Order NSP-1529 establishing the formation of a non-standard GPU in the Eumont Field dated 2-23-88.
- 3) Amended form C-101.
- 4) Amended form C-102.

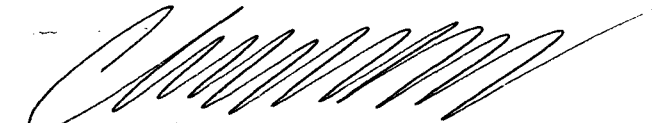
This forty acre tract was included in the 120 acre tract which was, in fact, the subject of the aforementioned Administrative Order NSP-1529.

All offset operators will receive copies of this letter, the amended forms C-101 and C-102, as well as a letter on which they can demonstrate their position with regard to this non-standard producing unit. At such time as I receive these letters back from them, I will forward them to you.

August 15, 1996  
New Mexico Energy Minerals &  
Natural Resources Department  
Oil Conservation Division  
Mr. Michael Stogner  
Page 2

Please do not hesitate to contact me if you should have any questions or need any further information.

Sincerely,



Chris Huff  
Operations Manager

cc: Rhombus Energy Company  
200 N. Loraine, Suite 1270  
Midland, TX 79701

Oil & Gas Operations, Inc.  
Greg Short  
HC 31 Box 51V50  
Midland, TX 79707

Conoco, Inc.  
10 Desta Drive, Ste 100W  
Midland, TX 79705-4500  
Attn: Mr. Warren Richardson

Texaco Inc.  
Box 3109  
Midland, TX 79702-3109  
Attn: Mr. Ron Lanning

CERTIFIED MAIL # P 268 377 476  
RETURN RECEIPT REQUESTED

CH:nr  
Enclosure  
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Eumont Gas Offset Operators to the  
 Jack Huff - Bern -A- #2 Well  
 NE/4 SE/4 Section 14, T-19-S, R-36-E  
 Lea County, New Mexico

Tr. No.	Operator	Gas Well/Location	Unit Description	No. Acres
1	Texaco	Monstate No. 4 N-13-19s-36e	SW/4 Section 13 T-19-S, R-36-E	160
2	Conoco	State KP-13 No. 1 F-13-19s-36e State KP-13 No. 3 C-13-19s-36e State KP-13 No. 4 E-13-19s-36e	NW/4 Section 13 T-19-S, R-36-E	160
3	Rhombus Energy Company	Northwest Eumont Unit No. 107 H-14-19s-36e	SE/4 NE/4 Section 14 T-19-S, R-36-E	40
4	Rhombus Energy Company	Non-Dedicated to Eumont Gas G-14-19s-36e	Northwest Eumont Unit	40
5	Rhombus Energy Company	Non-Dedicated to Eumont Gas J-14-19s-36e	Northwest Eumont Unit	40
6	Jack Huff	Non-Dedicated O-14-19s-36e	SW/4 SE/4 Section 14 T-19-S, R-36-E	40
7	Oil & Gas Operations, Inc.	Bern -A- No. 1 P-14-19s-36e	SE/4 SE/4 Section 14 T-19-S, R-36-E	40

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STATE OF NEW MEXICO

## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

## OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNORPOST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87500  
(505) 827-5800

February 23, 1988

Doyle Hartman  
P.O. Box 10426  
Midland, TX 79702

Attention: Scott Gutberlet

## Administrative Order NSP-1529

Dear Mr. Gutberlet:

Reference is made to your application for a 120-acre non-standard gas proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO  
TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM  
Section 14: E/2 SE/4 and SW/4 SE/4

It is my understanding that this unit is to be dedicated to your Bern "A" Well No. 1 located at a standard location 661 feet from the South line and 660 from the East line (Unit P) of said Section 14.

By authority granted me under the provisions of Rule 2(a)4 of Division Order No. R-8170, as amended, the above non-standard proration unit is hereby approved.

Sincerely,

*WJL*  
for WILLIAM J. LeMAY, DIRECTOR

WJL/MES/dr

cc: Oil Conservation Division - Hobbs  
New Mexico Oil and Gas Engineering Committee  
State Land Office - Santa Fe



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-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

Operator Name and Address: Jack Huff P.O. Box 50190 Midland, TX 79710-0190		OGRID Number 036472
		API Number 30 - 0
Property Code	Property Name Bern "A"	Well No. 2

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
"I"	14	19S	36E		1980	South	660	East	Lea

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
					Proposed Pool 1				
					Proposed Pool 2				

Work Type Code N	Well Type Code Gas	Cable/Rotary Rotary	Lease Type Code S	Ground Level Elevation 3728'
Multiple Y	Proposed Depth 4000'	Formation Penrose/Queen	Contractor	Spud Date July/August

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/2"	8-5/8"	24#	1200'	700sx	Circ to surface
7-7/8"	5 1/2"	15.50#	4000'	850sx	Circ to surface

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 spud the well with a 12 1/2" hole and drill with freshwater gel\*to 1200' where 8-5/8" casing will be set. An annular BOP will be installed at this point and a 7-7/8" hole will be drilled to 3600' with brine water. At 3600' hole will be mudded up with MF-55 & starch to TD of 4000'. The Penrose/Queen formation will be perforated and tested after running and cementing 5 1/2" casing.

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

Signature:

Printed name:

Chris Huff

Title:

Operations Manager

Date:

8/13/96

Phone:

915-683-9231

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Jack Huff			Lease Bern "A"		Well No. 2
Unit Letter "I"	Section 14	Township -19-S	Range -36-E	County Lea	NMPM
Actual Footage Location of Well: 1980 feet from the South line and 660 feet from the East line					
Ground level Elev. 3732'	Producing Formation Eumont Field		Pool Penrose Queen	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

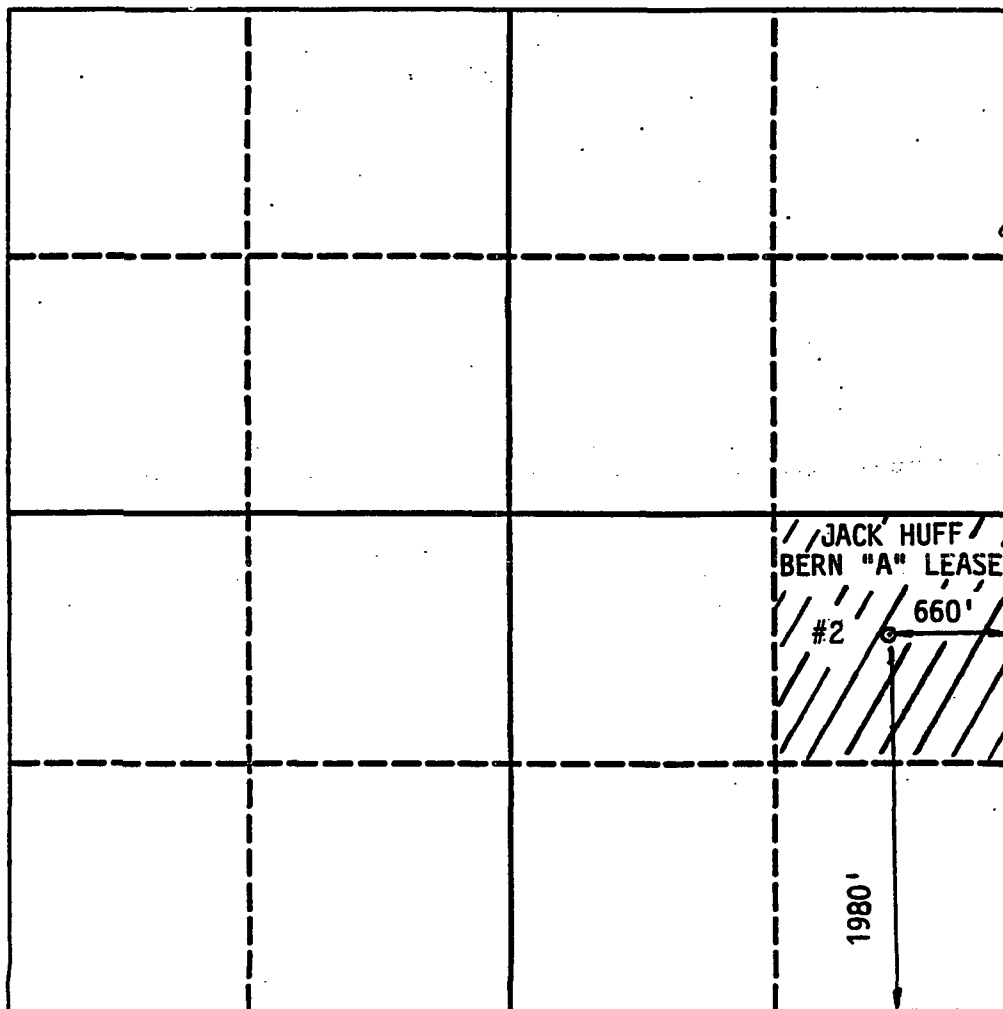
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest 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, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Printed Name

Chris Huff

Position

Operations Manager

Company

Jack Huff

Date

8/13/96

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 knowledge and belief.

Date Surveyed

August 12, 1996

Signature & Seal of Professional Surveyor:

Max A. Schumann, Jr.

Certificate No.  
1510

Job No. 62,035

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

August 6, 1996

Jack Huff Oil and Gas Operator  
P. O. Box 50190  
Midland, Texas 79710-0190

Attn: Jack Huff

RE: *Administrative application for the formation of a non-standard 40-acre gas spacing and proration unit ("GPU") in the Eumont Gas Pool comprising the NE/4 SE/4 (Unit I) of Section 14, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico, for your proposed Bern "A" Well No. 2 to be drilled at an unorthodox gas well location 1650 feet from the South line and 330 feet from the East line of said Section 14.*

Dear Mr. Huff:

So that I might process the subject application more effectively and efficiently, please provide me a land plat showing the subject 40-acre tract and all off-setting Eumont gas spacing and proration units with the individual units shaded for identification, all wells completed therein, and any references to all previous orders that established any such non-standard GPU. Further, is the subject 40-acre tract currently included within an existing Eumont gas unit or has this 40-acre tract ever been included within a previous Eumont gas unit (please reference any applicable Division order). Also submit a copy of the subject well's APD (form C-101) and accompanying form C-102.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", written over a horizontal line.

Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/kv

cc: Oil Conservation Division - Hobbs  
William J. LeMay, Director - OCD, Santa Fe



# JACK HUFF

Oil and Gas Producer

P.O. BOX 50190  
MIDLAND, TEXAS 79710-0190  
915-683-9231  
FAX 915-683-9255

AUG - 1 1996

July 23, 1996

State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. Michael Stogner

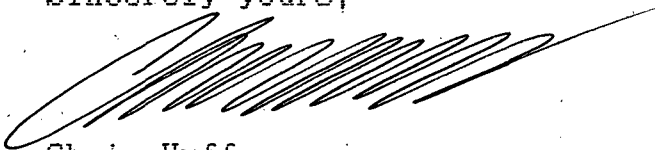
Re: Jack Huff - Bern A #2 Well, Unit letter I, 1650' FSL & 330'  
FEL Sec. 14, T-19-S, R-36-E, Lea County, New Mexico.

Dear Mr. Stogner,

Jack Huff has filed an Application for Permit to Drill the above well at the specified location. This well will be situated in the Eumont field and drilled to a depth of 4000' to test the Penrose/Queen formation. The number of acres dedicated to this well is 40 acres. Field rules for the Eumont field require 640 acres for a standard proration unit. We hereby request and apply for a non-standard unit allowing us to drill this well on the referenced 40 acre tract.

In order to notify all offset operators, a copy of this letter is being sent to each of them. Please do not hesitate to contact me if you should have any questions.

Sincerely yours,



Chris Huff  
Operations Manager

cc: Rhombus Energy Company  
200 N. Lorraine, Suite 1270  
Midland, TX 79701

Oil & Gas Operations, Inc.  
Greg Short  
HC 31 Box 51V50  
Midland, TX 79707

Conoco, Inc.  
1410 N.W. County Road  
Hobbs, NM 88240  
Attn: Mr. Tom Lentz

Texaco Inc.  
204 Bender  
Hobbs, NM 88240  
Attn: Mr. Terry Frazier

CH/dr  
\\wp51\corresge\berna

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

08/06/96 10:38:32  
OGOMES -EMD7  
PAGE NO: 1

Sec : 14 Twp : 19S Rng : 36E Section Type : NORMAL

D 40.00 PEN E07419 09/63 CHEVRON U S A INC	C 40.00 PEN E07419 09/63 CHEVRON U S A INC U A	B 40.00 PEN E07419 09/63 CHEVRON U S A INC U A	A 40.00 PEN E07419 09/63 CHEVRON U S A INC U A
E 40.00 PEN E07419 09/63 CHEVRON U S A INC U A	F 40.00 PEN E07419 09/63 CHEVRON U S A INC U A	G 40.00 PEN E07419 09/63 CHEVRON U S A INC U A A	H 40.00 PEN E07419 09/63 CHEVRON U S A INC U A

M0002: This is the first page

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

08/06/96 10:38:21  
OGOMES -EMD7  
PAGE NO: 2

Sec : 14 Twp : 19S Rng : 36E Section Type : NORMAL

L 40.00 PEN B10268 1 05/53 PHILLIPS PETROLEU U A	K 40.00 PEN B10268 1 05/53 PHILLIPS PETROLEU U A	J 40.00 PEN B10268 1 05/53 PHILLIPS PETROLEU U A A	I 40.00 PEN B10268 05/53 PHILLIPS PETROLEU
M 40.00 PEN B10268 1 05/53 PHILLIPS PETROLEU U A	N 40.00 PEN B10268 1 05/53 PHILLIPS PETROLEU U A	O 40.00 PEN B10268 05/53 PHILLIPS PETROLEU	P 40.00 PEN B10268 05/53 PHILLIPS PETROLEU  P

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

**JACK HUFF**

Oil and Gas Producer

OIL CONSERVATION DIVISION

SEP 14 1996

P.O. BOX 50190  
MIDLAND, TEXAS 79710-0190  
915-683-9231  
FAX 915-683-9255

NSP 1529.A

September 6, 1996

State of New Mexico  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. Michael Stogner

Re: Jack Huff - Bern A #2 Well, Unit letter I, 1980' FSL & 660'  
FEL Sec. 14, T-19-S, R-36-E, Lea County, New Mexico.

Dear Mr. Stogner:

Enclosed are copies of letters notifying the offset operators of the non-standard unit. None of the offset operators have opposed the non-standard unit.

If you should require additional information, please contact our office.

Sincerely,



Nancy Roys  
Business Manager

/nr  
enclosures  
\\wp51\\corresge\\bernastg

# JACK HUFF

Oil and Gas Producer

P.O. BOX 50190  
MIDLAND, TEXAS 79710-0190  
915-683-9231  
FAX 915-683-9255

RECEIVED AUG 21 1996

August 15, 1996

TO: All offset operators to the Jack Huff - Bern -A- #2 well,  
Unit letter I, 1980' FSL & 660' FEL, Section 14, T-19-S,  
R-36-E, Lea County, New Mexico

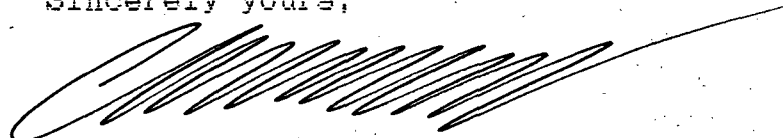
Re: Request for approval for non-standard unit.

Gentlemen:

The above well location was recently amended to 1980' FSL & 660' FEL. Please find enclosed a copy of a letter requesting approval of a non-standard proration unit for this well.

Please indicate in the appropriate space provided below whether or not you are in opposition to this application.

Sincerely yours,



Chris Huff

Oil & Gas Operations, Inc. does not oppose the above non-standard unit.

Oil & Gas Operations, Inc.

By: 

Greg Short

Oil & Gas Operations, Inc. is opposed to the above non-standard unit.

Oil & Gas Operations, Inc.

By: \_\_\_\_\_

Greg Short

CERTIFIED MAIL #P 268 377 479  
RETURN RECEIPT REQUESTED

CH:nr  
Enclosure  
\\wp51\corresge\berna8

**JACK HUFF**

Oil and Gas Producer

P.O. BOX 50190  
MIDLAND, TEXAS 79710-0190  
915-683-9231  
FAX 915-683-9255

RECEIVED AUG 23 1996

August 15, 1996

TO: All offset operators to the Jack Huff - Bern -A- #2 well,  
Unit letter I, 1980' FSL & 660' FEL, Section 14, T-19-S,  
R-36-E, Lea County, New Mexico

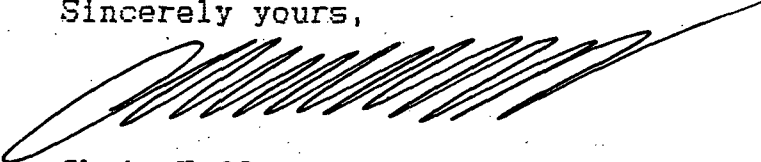
Re: Request for approval for non-standard unit.

Gentlemen:

The above well location was recently amended to 1980' FSL & 660' FEL. Please find enclosed a copy of a letter requesting approval of a non-standard proration unit for this well.

Please indicate in the appropriate space provided below whether or not you are in opposition to this application.

Sincerely yours,



Chris Huff

Texaco Inc. does not oppose the above non-standard unit.

Texaco Inc.

By: Todd W. Moshak - Production Engineer

Texaco Inc. is opposed to the above non-standard unit.

Texaco Inc.

By: \_\_\_\_\_

CERTIFIED MAIL #P 268 377 480  
RETURN RECEIPT REQUESTED

CH:nr  
Enclosure  
\\wp51\corresge\berna9



CMD : ONGARD 11/04/96 15:38:31  
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -EMFG

OGRID Idn : 36472 API Well No: 30 25 33581 APD Status(A/C/P) : A  
Opr Name, Addr: JACK HUFF Aprvl/Cncl Date : 09-13-1996  
PO BOX 50190  
MIDLAND, TX 79710

Prop Idn: 19465 BERN A Well No: 2

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
	---	---	-----	-----	-----	-----	-----	-----
Surface Locn :	I	14	19S	36E			FTG 1980 F S	FTG 660 F E
OCD U/L :	I		API County :	25				

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) : S Ground Level Elevation : 3728

State Lease No: Multiple Comp (Y/N) : S  
Prpsd Depth : 4000 Prpsd Frmtn : QUEEN

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



November 4, 1996

Mr. William J. Lemay, Division Director  
State of New Mexico  
Energy, Minerals & Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87504-2088

RE: Application for Permit to Drill in Accordance with the  
State of New Mexico Oil Conservation Division Order No. R-111-P

Nearburg Producing Company  
Maverick 16 State No. 1 Well  
1,650' FSL & 1,650' FEL  
Section 16, T20S, R32E, NMPM  
Lea County, New Mexico

Dear Mr. Lemay:

Mississippi Potash Corporation, in conjunction with New Mexico Potash and National Potash, has been contacted by Nearburg Producing Company, an oil and gas producing company based in Midland, Texas, regarding an application to drill an oil and/or gas well (APD) at the location referenced above (APD copy attached).

It is hereby noted that this drilling location is within the Known Potash Area (KPA) as designated by OCD Order R-111-P and is within one mile of the open mine workings of the Mississippi Potash (National Potash) Lea Mine.

Under the provisions set forth in Division Order R-111-P and due to the proximity of our mining operations and future plans to mine potash reserves in this area, Mississippi Potash Corporation, in conjunction with New Mexico Potash and National Potash, formally object to this drilling location.

Please contact me if you have any additional questions.

Sincerely,

Mel Pyeatt  
Mine Operations Manager

copies: OCD District 1 Office, P.O. Box 1980, Hobbs, NM 88241  
Mr. Van Rodgers, Production Landman  
Nearburg Producing Company

District I  
PO Box 1980, Hobbs, NM 88241-1980State of New Mexico  
Energy, Minerals & Natural Resources Department

Revised February 10, 1994

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

## OIL CONSERVATION DIVISION

PO Box 2088  
Santa Fe, NM 87504-2088

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

Operator Name and Address: Nearburg Producing Company P.O. Box 823085 Dallas, TX 75382-3085		OGRID Number 15742
		API Number 30-0
Property Code	Property Name Maverick 16 State	Well No. #1

## 7 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
J	16	20S	32E		1,650	South	1,650	East	Lea

## 8 Proposed Bottom Hole Location If Different From Surface

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

## 9 Proposed Pool 1

Wildcat - Delaware

## 10 Proposed Pool 2

Work Type Code N	Well Type Code O	Cable/Rotary Rotary	Lease Type Code S	Ground Level Elevation 3,514'
Multiple NO	Proposed Depth 5,300'	Formation Delaware	Contractor WEK	Spud Date 11/3/96

## 21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#	900'	500 sacks	Surface
12-1/4"	9-5/8"	36#	2,400'	600 sacks	Surface
8-3/4"	5-1/2"	17#/K-55	5,300'	800 sacks	Surface

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 the well to sufficient depth to evaluate the Delaware formation. After reaching TD, logs will be run and casing set if the evaluation is positive. Perforate, test and stimulate as needed to establish production.

Acreage Dedication is 40 acres; NWSE/4 of Section 16.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>E. Scott Kimbrough</i>		OIL CONSERVATION DIVISION	
Printed name: E Scott Kimbrough		Approved by:	
Title: Manager of Drilling and Prod		Title:	
Date:		Approval Date:	Expiration Date:
Phone: 505/397-4186		Conditions of Approval: Attached <input type="checkbox"/>	

District I  
PO Box 1980, Hobbs, NM 87411-1980  
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 Wildcat - Delaware	
Property Code		Property Name MAVERICK 16 STATE			Well Number 1
OGRD No. 15742		Operator Name NEARBURG PRODUCING COMPANY			Elevation 3514.

**10 Surface Location**

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
J	16	20-S	32-E		1650	SOUTH	1650	EAST	LEA

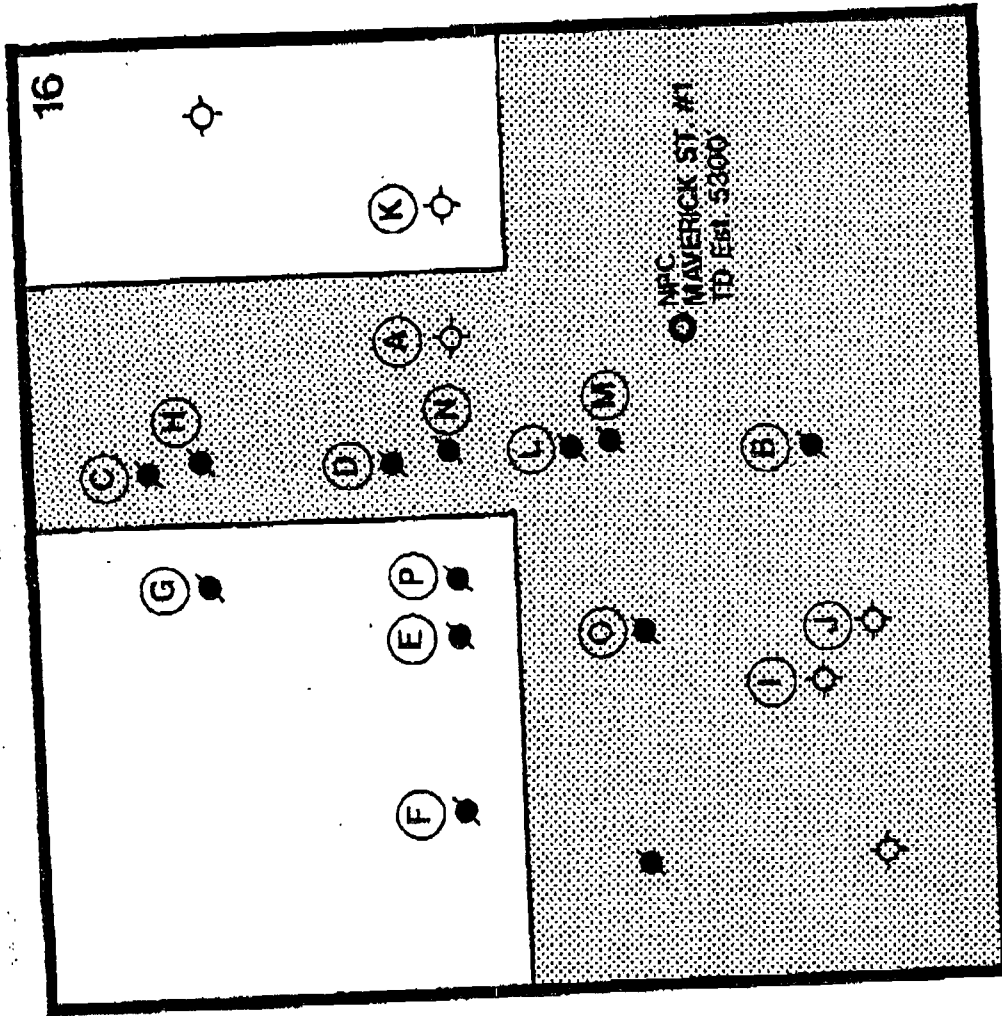
**11 Bottom Hole Location If Different From Surface**

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

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 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

<p>16</p>	<p><b>17 OPERATOR CERTIFICATION</b></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>E. Scott Kimbrough</i> Signature E. Scott Kimbrough Printed Name Mgr Drilling and Prod Title <i>E. Scott Kimbrough</i> Date 10/3/96</p>
	<p><b>18 SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>SEPTEMBER 24, 1996 Date of Survey Signature of Professional Surveyor <i>[Signature]</i> NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 5412 CERTIFICATE NO. 5412</p>



# SEC. 16-20S-32E LEA COUNTY, NEW MEXICO

(A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K) (L) (M) (N) (O) (P)

YATES  
WINNETOU "YS" #1  
LOVELADY  
PHILLIPS ST. #1  
ARGO  
STATE #2  
NO. SHORE  
STATE #1-A  
ARGO  
TX-ST. #2-A  
ARGO  
TX-ST. #3-B  
WIENER  
STATE #1  
BASS  
LTL EDDY UT. #16  
TYO  
HALFWAY ST. #1  
LOVELADY  
STOUT ST. #1  
ARGO  
STATE #1  
ARGO  
STATE #3  
ARGO  
TX-ST. #2-A  
NO. SHORE  
TX-ST. #1-B  
SAKIND.  
TX-ST. #4-B  
WESTLEA OIL  
STATE #1-A

TD	CSG 2400	TD	CSG 2735	TD	CSG 2683	TD	CSG 2714	TD	CSG 2672	TD	CSG 2626	TD	CSG 2547	TD	CSG 2494	TD	CSG 2606	TD	CSG 941	TD	CSG 896	TD	CSG 2477	TD	CSG 2490	TD	CSG 2357	TD	CSG 2593	TD	CSG 2546
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NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

November 7, 1996

**CERTIFIED MAIL**

**No. P-176-013-145**

Oil & Gas Operations, Inc.  
Attention: Greg Short  
HC "31"  
Box 51-V-50  
Midland, Texas 79707

**RE:** Division Administrative Order NSP-1529-A  
dated September 6, 1996.

Dear Mr. Short:

Please refer to the subject Division administrative order, see copy attached, which contains the following provisions:

(a) Authorizes Jack Huff, Oil and Gas Producer, of Midland, Texas, to operate the 40 acres, comprising the NE/4 SE/4 (Unit I) of Section 14, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico, as a non-standard gas spacing and proration unit ("GPU") within the Eumont Gas Pool, said GPU to be dedicated to its proposed Jack Huff Bern "A" Well No. 2 (API No. 30-025-33581) to be drilled at a standard gas well location for this 40-acre GPU 1980 feet from the South line and 660 feet from the East line of said Section 14 with an appropriate allowable to be assigned said 40-acre GPU in accordance with Rule 5 of the *"General Rules and for the Prorated Gas Pool of New Mexico/Special Rules and Regulations for the Eumont Gas Pool"*, as promulgated by Division Order No. R-8170, as amended;

(b) Grants Greg Short, P.E., dba Oil & Gas Operations, Inc., a temporary 60-day authorization to produce its Bren "A" Well No. 1 (API No. 30-025-04012), located 661 feet from the South line and 660 feet from the East line (Unit P) of said Section 14, with an acreage factor of 0.25 to be ascribed against the Eumont allowable for said well;

**Oil & Gas Operations, Inc.**

**November 7, 1996**

**Page 2**

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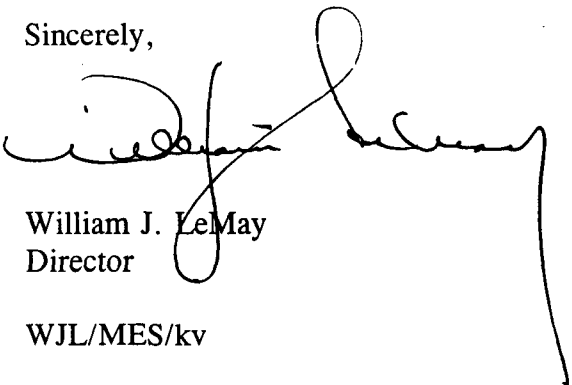
(c) Within this 60-day period of time provides the opportunity to Greg Short, P.E., dba Oil & Gas Operations, Inc., to submit to the Division a proper application pursuant to all applicable rules, regulation, and policies for a similar 40-acre GPU comprising the SE/4 SE/4 of said Section 14 to be dedicated to its aforementioned Bren "A" Well No. 1, thereby establishing proper allowable assignments to Eumont gas production within the SE/4 of said Section 14; and,

(d) Should such application not be submitted to the Division within this 60-day period, the Greg Short Bren "A" Well No. 1 would therefore be subject to "shut-in".

To date no formal application of any kind has been submitted to the Division by Greg Short, P.E., dba Oil & Gas Operations, Inc., therefore Greg Short, P.E., dba Oil & Gas Operations, Inc. of Midland, Texas, is hereby ordered to immediately shut-in and cease production from its Bren "A" Well No. 1 (API No. 30-025-04012), located 661 feet from the South line and 660 feet from the East line (Unit P) of Section 14, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico.

Failure to abide by this directive shall constitute the classification of any such further production as "illegal" oil and/or gas and could subject those parties involved in such operations to the provisions contained within 70-2-31 NMSA 1978. Said well shall remain shut-in until such time as a formal application by Greg Short, P.E., dba Oil & Gas Operations, Inc. of Midland, Texas has been filed and approved.

Sincerely,



William J. LeMay  
Director

WJL/MES/kv

cc: Jerry Sexton, District Supervisor - OCD, Hobbs  
Michael E. Stogner, Chief Hearing Officer - OCD, Santa Fe  
Rand L. Carroll, Legal Counsel - OCD, Santa Fe  
New Mexico State Land Office - Santa Fe  
File: NSP-1529  
NSP-1529-A  
Jack Huff, Oil and Gas Producer - Midland, Texas



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

September 6, 1996

**Jack Huff, Oil and Gas Producer**  
**Attention: Chris Huff, Operations Manager**  
**P. O. Box 50190**  
**Midland, Texas 79710**

---

**Oil & Gas Operations, Inc.**  
**Attention: Greg Short, P.E.**  
**HC "31"**  
**Box 51-V-50**  
**Midland, Texas 79707**

***Administrative Order NSP-1529-A***

**Dear Messrs. Huff and Short:**

Reference is made to: (i) the application filed by Mr. Chris Huff by letter dated July 23, 1996; (ii) the Division's initial response to said application from Mr. Michael E. Stogner by letter dated August 6, 1996; and, (iii) to Mr. Chris Huff's second letter concerning this matter dated August 15, 1996; all of which concern the request of Jack Huff, Oil and Gas Producer to detach the 40 acres comprising the NE/4 SE/4 (Unit I) of Section 14, Township 19 South, Range 36 East, N.M.P.M., Lea County, New Mexico, from the existing 120-acre non-standard gas spacing and proration unit ("GPU") in the Eumont Gas Pool comprising the NE/4 SE/4 and S/2 SE/4 of said Section 14. Said 120-acre GPU was authorized by Division Administrative Order NSP-1529, dated February 23, 1988 and had dedicated thereon the Greg Short Bren "A" Well No. 1 (API No. 30-025-04012), located at a standard gas well location for the 120-acre GPU 661 feet from the South line and 660 feet from the East line (Unit P) of said Section 14.

It is our understanding by the subject application and related correspondence that:

- (1) Jack Huff, Oil and Gas Operator now owns the Eumont rights underlying both the NE/4 SE/4 (Unit I) and the SW/4 SE/4 (Unit O) of said Section 14 and is proposing to form a non-standard

40-acre Eumont gas spacing and proration unit comprising the NE/4 SE/4 of said Section 14 for its Bren "A" Well No. 2 to be drilled at a standard gas well location for this 40-acre GPU 1980 feet from the South line and 660 feet from the East line of said Section 14; and,

(2) which would leave the remaining 40 acres comprising the SE/4 SE/4 (Unit P) of said Section 14 to be operated by Greg Short, P.E., dba Oil & Gas Operations, Inc. and have dedicated to it the above-described Bren "A" Well No. 1.

The Division finds at this time that, the subject application of Jack Huff, Oil and Gas Producer has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996 and Rule 2(d) of the *"General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool"*, as promulgated by Division Order No. R-8170, as amended. Pursuant to said rules no objection to the subject application has been received within the required 20-day waiting period. It should be further noted that Greg Short has not responded to Mr. Chris Huff's application, dated July 23, 1996, or to his letter dated August 15, 1996.

It is therefore ordered, by the authority granted me under the provisions of said rules, that Jack Huff, Oil and Gas Producer is hereby authorized to operate the 40 acres, comprising the NE/4 SE/4 (Unit D) of said Section 14, as a non-standard gas spacing and proration unit ("GPU") within the Eumont Gas Pool in which is to be dedicated to the proposed Jack Huff Bren "A" Well No. 2 to be drilled at a standard gas well location for this 40-acre GPU 1980 feet from the South line and 660 feet from the East line of said Section 14 with an appropriate allowable to be assigned said 40-acre GPU in accordance with Rule 1 of said special Eumont Gas Pool rules.

It is further ordered that the 40 acres comprising the SE/4 SE/4 (Unit P) of said Section 14, operated by Greg Short, P.E., dba Oil & Gas Operations, Inc.: (i) is no longer dedicated to producing Eumont acreage; and, (ii) that the existing Bren "A" Well No. 1 is producing without a proper assignment of allowable. It is ordered however that Greg Short be granted a temporary 60-day authorization to produce its Bren "A" Well No. 1 with an acreage factor of 0.25 to be ascribe against the Eumont allowable for said well. If however no formal application from Greg Short has been submitted to the Division within this 60-day period, the temporary allowable shall be canceled and the well ordered to be shut-in until such application has been submitted and approved.


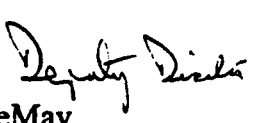
Administrative Order NSP-1529-A  
Jack Huff, Oil and Gas Producer  
September 6, 1996  
Page 3

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Said Division Orders NSP-1529 shall be placed in abeyance until further notice.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

   
William J. LeMay  
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs  
Michael E. Stogner, Chief Hearing Officer - OCD, Santa Fe  
New Mexico State Land Office - Santa Fe  
File: NSP-1529

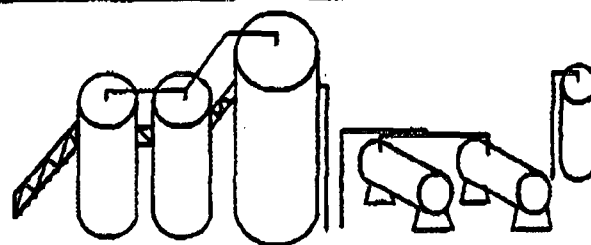
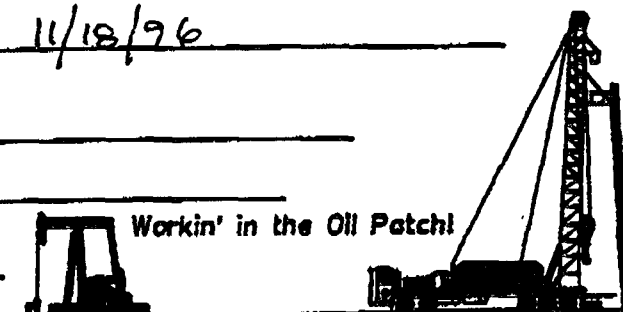
**GREG SHORT, P. E.**  
HC 31, BOX 51-V-50 • MIDLAND, TEXAS 79707  
(915) 563-1358

DATE: 11/18/96TO: Michael StognerLOCATION: OCD, Santa Fe

FAX NUMBER: \_\_\_\_\_

FROM: \_\_\_\_\_

LOCATION: \_\_\_\_\_ PHONE: \_\_\_\_\_

NO. OF PAGES (INCLUDING COVER SHEET) 3

Michael

Per your request / our conversation Friday 11/15/96

Since the original proration<sup>unit</sup> was non-standard 120  
acres & since this is part of that approved (NSP-1529)  
order & since I did not object to Jack's proration  
proposal, wouldn't it make sense to approve my  
unit based on this C-102 alone? Please call with  
your thoughts.

Thanks  
~~~~~



**GREG SHORT, P. E.**

HC 31, BOX 51-V-50 • MIDLAND, TEXAS 79707  
(915) 563-1358

## **Oil & Gas Operations**

---

Monday, November 18, 1996

**Mr. Jerry Sexton**  
**District Supervisor**  
**Oil Conservation Division**  
**P. O. Box 1980**  
**Hobbs NM 88241-1980**

Re: Bern 'A' Lease, Well #1, Prop #15426  
Unit P, Section 14, T-19S, R-36E, Lea Co., NM  
Eumont Field, Y-7R-Q, Gas

Dear Mr. Sexton:

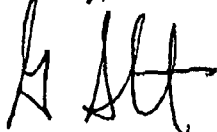
Per our conversation of Friday, November 15, 1996, please find enclosed 5 copies of a completed OCD Form C-102. Please process the request for dedicated acreage for the Bern 'A' #1 well.

This action is a result of the Division administration order NSP-1529-A involving Jack Huff and Greg Short. I was never notified of the administrative order, and, therefore, had no knowledge of this imminent requirement. My first and only notification of the order was by certified letter from the OCD in Santa Fe on Friday, before I talked to you, which letter ordered an immediate shut-in of the subject well.

After visiting with you on Friday, I talked with Michael Stogner and told him of our conversation. He indicated I would need to take further action to bring the matter of dedicated acreage for the Bern 'A' #1 well to conclusion. Mr. Stogner requested that I fax him a copy of this letter and the C-102, which I have done this date.

Thank you for your help.

Sincerely,



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 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

|                              |                                                            |                                        |
|------------------------------|------------------------------------------------------------|----------------------------------------|
| 1 API Number<br>30-025-04012 | 2 Pool Code<br>76480                                       | 3 Pool Name<br>Eumont - Y, 7R, Q (Gas) |
| 4 Property Code<br>15426     | 5 Property Name<br>Bern 'A'                                | 6 Well Number<br>1                     |
| 7 OGRID No.<br>127535        | 8 Operator Name<br>Greg Short, PE dba Oil & Gas Operations | 9 Elevation<br>3733 DF                 |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P             | 14      | 19S      | 36E   |         | 661           | South            | 660           | East           | Lea    |

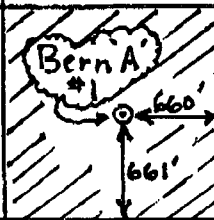
11 Bottom Hole Location If Different From Surface

| 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<br>40 | 13 Joint or Infill<br>N | 14 Consolidation Code | 15 Order No.<br>(Prev. approved as part of NSP-1529) |
|--------------------------|-------------------------|-----------------------|------------------------------------------------------|

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 |  |  |  | <p>17 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>Greg Short</i></p> <p>Signature _____</p> <p>Printed Name <u>Greg Short</u></p> <p>Title <u>Owner</u></p> <p>Date <u>11/18/96</u></p>                                                                     |
|    |  |  |  |                                                                                                                                                                                                                                                                                                                                                                             |
|    |  |  |  |                                                                                                                                                                                                                                                                                                                                                                             |
|    |  |  |  |                                                                                                                                                                                                                                                                                                                                                                             |
|    |  |  |  | <p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number _____</p> |
|    |  |  |  |                                                                                                                                                                                                                                                                                                                                                                             |
|    |  |  |  |                                                                                                                                                                                                                                                                                                                                                                             |
|    |  |  |  |                                                                                                                                                                                                                                                                                                                                                                             |



## FAXED MEMORANDUM

**Date:** November 20, 1996

**To:** Greg Short, P.E.  
Jerry Sexton, District  
Supervisor - Hobbs, O.C.D.

**Telefax No. (915) 563-1358**

**Telefax No. (505) 393-0720**

**From:** Michael E. Stogner, Acting Director *M.E.S.*

**Subject:** Administrative application for a resulting non-standard 40-acre gas spacing and proration unit ("GPU"), comprising the SE/4 SE/4 (Unit P) of Section 14, Township 19 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, caused by the issuance of Division Administrative Order NSP-1529-A: Bern "A" Well No. 1 (API No. 30-025-04012), located 661 feet from the South line and 660 feet from the East line of said Section 14.

**Message to Jerry Sexton:** I am currently in receipt of Mr. Short's letter to you dated November 18, 1996 whereby an amended C-102 was attached showing the proposed 40-acre GPU. Please consider this notification a moratorium to the Division's previously issued "shut-in" notice dated November 7, 1996. This moratorium shall remain effective for an undetermined period, thereby allowing Mr. Short ample time to comply in a judicious matter with all requirements in acquiring the subject exception to the 640-acre spacing rule in affect for the Eumont Gas Pool.

**Message to Greg Short:** The draft cover letter dated November 20, 1996 faxed to me earlier today appears adequate assuming the off-set notice requirements are fully met. Again the Division apologizes in failing to take the appropriate measures to assure that Division Order NSP-1529-A, dated September 6, 1996, had been received by all concerned parties.

cc: William J. LeMay, Director - O.C.D., Santa Fe  
File: NSP-1529-A  
Kathy Valdes - O.C.D., Santa Fe

**GREG SHORT, P. E.**

HC 31, BOX 51-V-50 • MIDLAND, TEXAS 79707  
(915) 563-1358

**Oil & Gas Operations**

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Wednesday, November 20, 1996

**Mr. Michael E. Stogner**  
**Chief Hearing Officer**  
**Oil Conservation Division**  
**2040 South Pacheco**  
**Santa Fe NM 87505**

Re: Bern 'A' Lease, Well #1, Prop #15426  
Unit P, Section 14, T-19S, R-36E, Lea Co., NM  
Eumont Field, Y-7R-Q, Gas  
Division Administration Order NSP-1529-A dated September 6, 1996  
Request for approval of 40 acre non-standard proration unit

Michael- please  
call me & let me  
know your thoughts  
on acceptability of  
this letter.  
Thanks

Dear Mr. Stogner:

Per our conversation this date, please consider this formal application for administrative approval of a non-standard proration unit.

I respectfully request the approval of a non-standard proration unit for the subject well. The number of acres dedicated to this well is 40 acres, contrasted to the 640 acre standard proration unit. This 40 acre tract was previously included in Administrative Order NSP-1529 dated 2-23-88 which established a 120 acre non-standard proration unit.

A plat and legend indicating offset operators, as well as an OCD C-102 are enclosed.

A copy of this letter and enclosures is being sent to all offset operators. They will be asked to indicate their position with respect to the subject request. You will be forwarded their responses by me via priority mail.

Thank you for working with me on this important matter.

Sincerely,

