



American Exploration Company

March 4, 1992

J.H. Garner
Marks-Garner Production Company
P.O. Box 70
Lovington, NM 88260

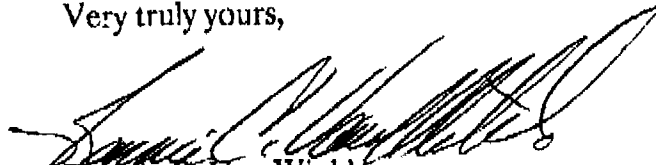
Re: Baum No. 1
Unit Letter "A"
Lea County, New Mexico

Dear Mr. Garner:

Reference is made to your letter dated February 28, 1992, in which you requested our participation in communitizing the NE/4 of Section 2, Township 14 South, Range 32 East. American Exploration Company elects not to participate in the proposed Communitization, but has no objection to Marks-Garner Production Company filing for a 40 acre non-standard unit with the State of New Mexico Oil Conservation Commission.

If you have any questions, please contact me at (713) 756-6325.

Very truly yours,



Ronnie C. Van Winkle
Landman

RCVW/kl

State of New Mexico
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

API NO. (assigned by OCD on New Wells)
30-025-23524
5. Indicate Type of Lease
STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
Z-854

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:		7. Lease Name or Unit Agreement Name			
DRILL <input type="checkbox"/> RE-ENTER <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		Baum 704-JD-D			
b. Type of Well:		8. Well No.			
OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		1			
2. Name of Operator		9. Pool name or Wildcat			
Marks & Garner Production Company		Baum Upper Penn			
3. Address of Operator					
P O Box 70, Lovington, NM 88260					
4. Well Location					
Unit Letter <u>A</u> : <u>660</u> Feet From The <u>North</u> Line and <u>510</u> Feet From The <u>East</u> Line					
Section <u>2</u> Township <u>14S</u> Range <u>32E</u> NMPM Lea County					
10. Proposed Depth		11. Formation			
10,100		Penn			
12. Rotary or C.T. Reverse Unit					
13. Elevations (Show whether DF, RT, GR, etc.)		14. Kind & Status Plug. Bond			
4303 KB		15. Drilling Contractor			
		16. Approx. Date Work will start			
		3-02-92			
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2	12 3/4	33.38#	389'	375 sx circ	
11	8 5/8	24, 28 & 32#	4020	400 sx	
7 7/8	5 1/2	17#	10100	300 sx	

It is proposed to drill plugs & circulate hole clean to top of 5 1/2" casing stub at 8336'. Run 5 1/2" casing and tie into stub with casing bowl. Drill remainder of plugs and circulate hole clean to 10,100. Test for production from existing profile.

Blowout preventor sketch attached.

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.

SIGNATURE Rebecca M. Pearson TITLE Office Manager DATE 2-28-92

TYPE OR PRINT NAME _____ TELEPHONE NO. _____

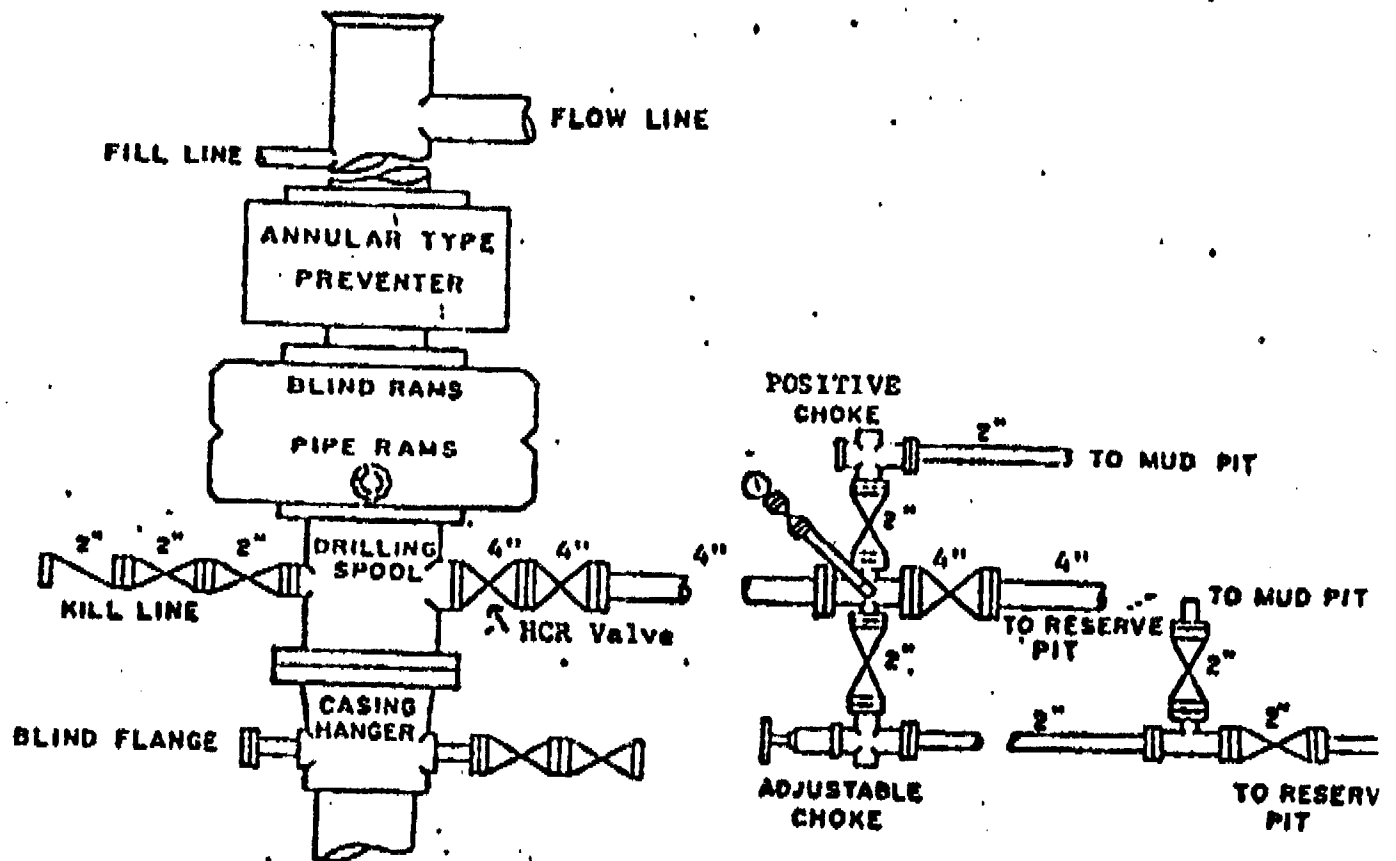
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval Date Unless Drilling Underway.

Re-2, true



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 Marks & Garner Production Company			Lease Baum 704 JV-D		Well No. 1
Unit Letter A	Section 2	Township 14S	Range 32E	County NMNM	Lea
Actual Footage Location of Well: 660 feet from the North line and 510 feet from the East line					
Ground level Elev. 4303'		Producing Formation Penn		Pool Baum Upper Penn	
				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, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

660'

510'

OPERATOR CERTIFICATION

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

Signature
Debra M. Necaise

Printed Name
Debra M. Necaise

Position
Office Manager

Company
Marks & Garner Prod. Co.

Date
February 28, 1992

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

Signature & Seal of
Professional Surveyor

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

March 10, 1992

Marks-Gardner Production Company
P.O. Box 70
Lovington, NM 88260

Attention: Debra M. Necaise, Office Manager

RE: Application for an unorthodox 40.40-acre
oil spacing and proration unit; Lot 1 (NE/4
NE/4 equivalent), Section 2, Township 14
South, Range 32 East, NMPM, Baum-Upper
Pennsylvanian Pool, Lea County, New Mexico.

Dear Ms. Necaise:

Reference is made to your application dated and received March 9,
1992 for the subject application. So that I may proceed in
processing your application in a timely manner, please submit the
following information:

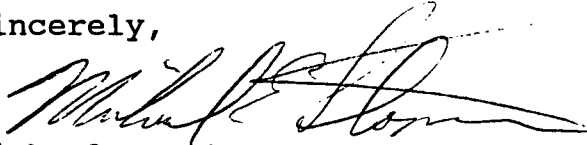
- 1) a written confirmation in the form of an affidavit
stating that American Exploration Company owns 100%
of the working interests in State Lease No. K-3643
comprising from the standard quarter-section
spacing unit, the area comprising Lot 2 and the S/2
NE/4 of said Section 2 (General Rule
104.D.(2)(a)(iii));
- 2) a plat showing either the operator of the
offsetting Baum-Upper Pennsylvanian producing wells
and/or owner of an undrilled tract, which adjoins
or corners such quarter-section; and
- 3) proof that all of the aforementioned offsetting
parties were notified by registered or certified
mail of this application (see General Rule
104.D.(2)(a)(iv) and Rule No. 3 of the Special
Rules and Regulations for the Baum-Upper
Pennsylvanian Pool as promulgated by Division Order
No. R-3368-A).

With this information, I should be able to process this application
administratively.

Marks-Gardner Production Company
Attention: Debra M. Necaie
March 10, 1992
Page 2

Should you have any questions, please contact me.

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/ag

cc: American Exploration Company
1331 Lamar Street, Suite 900
Houston, TX 77010

OCD - Hobbs

- (i) The non-standard unit consists of quarter-quarter sections or lots that are contiguous by a common bordering side.
- (ii) The non-standard unit lies wholly within a single governmental quarter section if the well is completed in a pool or formation for which 160 acres is the standard unit size or wholly within a single governmental half section if the well is completed in a pool or formation for which 320 acres is the standard unit size.
- (iii) The applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the quarter section (for 160-acre pools or formations) or the half section (for 320-acre pools or formations) in which the non-standard unit is situated and which acreage is not included in said non-standard unit.
- (iv) In lieu of paragraph (c) of this rule, the applicant may furnish proof of the fact that all of the aforesaid operators were notified by registered or certified mail of his intent to form such non-standard unit. The Director may approve the application if no such operator has entered an objection to the formation of such non-standard unit within 30 days after the Director has received the application.

E. Form C-101, Application for Permit to Drill, Deepen, or Plug Back for any well shall designate the exact legal subdivision allotted to the well and no Form C-101 will be approved by the Division or any of its agents without such proper designation of acreage.

F. UNORTHODOX LOCATIONS

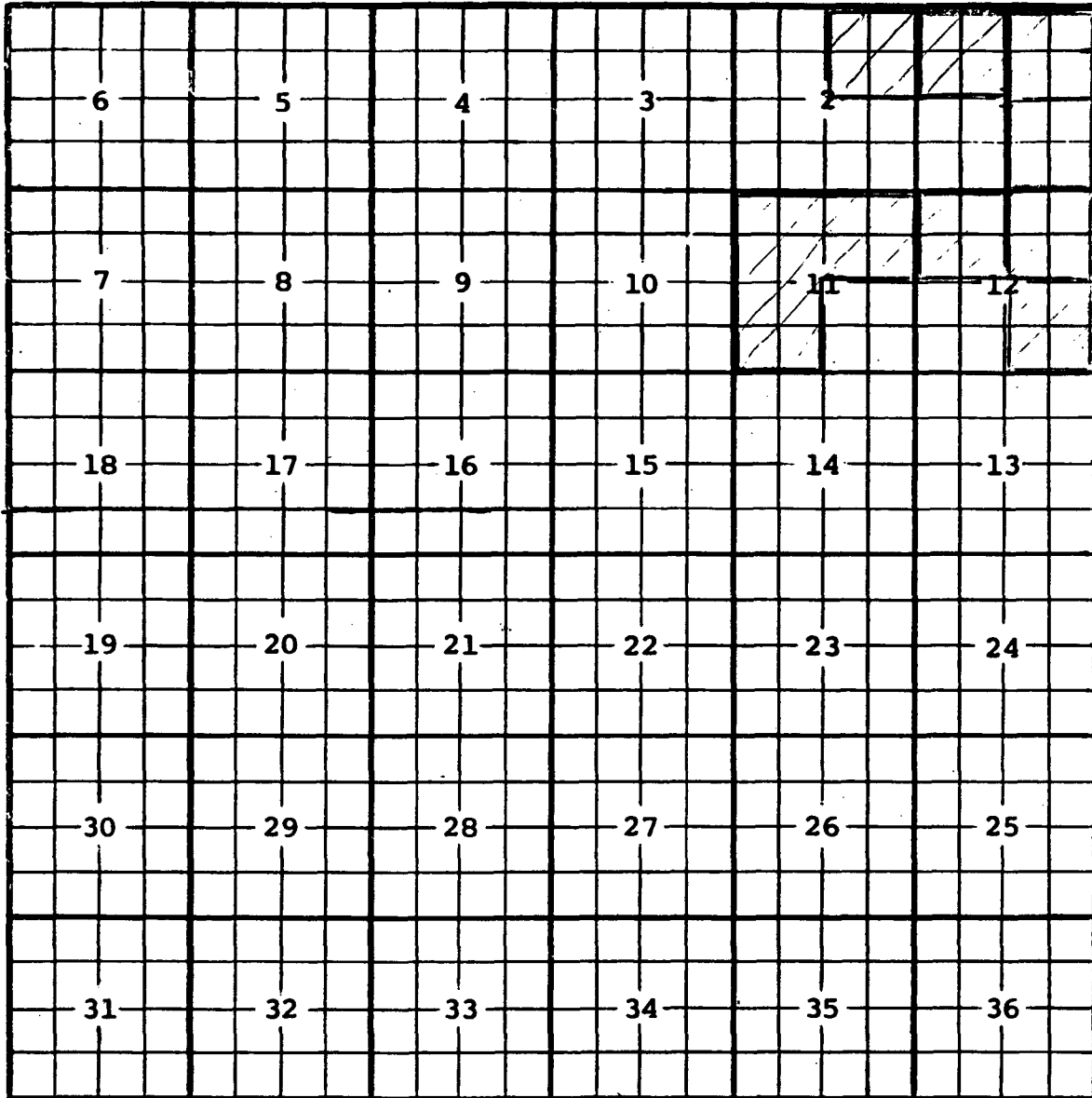
(1) The Division Director shall have authority to grant an exception to the well location requirements of Sections B and C above without notice and hearing when the necessity for such unorthodox location is based upon topographical conditions, the recompletion of a well previously drilled to a deeper horizon, provided said well was drilled at an orthodox or approved unorthodox location for such original horizon, or to permit the completion of an efficient production and injection pattern within a secondary recovery or pressure maintenance project, provided that any such unorthodox location within such project is no closer than 330 feet to the outer boundary of the lease or the unitized area, nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary.

(2) The Division Director shall have authority to grant an exception to the well location requirements of Rule 104 B.I.(a) and Rule 104 C.II.(a) without notice and hearing when the necessity for such unorthodox location is based upon geologic conditions provided that any such unorthodox location shall be no closer than 660 feet to the nearest side boundary nor closer than 990 feet to the nearest end boundary of the proration unit.

(3) Applications for administrative approval of unorthodox locations shall be filed in TRIPLICATE and shall be accompanied by plats, showing the ownership of all leases offsetting the proration or spacing unit for which the unorthodox location is sought, and also all wells completed thereon. If the proposed unorthodox location is based upon topography, the plat shall also show and describe the existent topographical conditions. If the proposed unorthodox location is based upon completion of an efficient production and injection pattern, the plat shall also show the project outline identifying all producing and injection wells therein, and the applicant shall further include a statement setting forth the necessity for such location. If the proposed unorthodox location is based upon geology as provided in Paragraph (2) above, the application shall include appropriate geologic maps, cross-sections, and/or logs, and a discussion of the geologic conditions which result in the necessity for the unorthodox location.

COUNTY LeaPOOL Baum - Upper PennsylvanianTOWNSHIP 14 SouthRANGE 32 East

NMPM



Ext: $\frac{SE}{4}$ Sec. 1 (R-3681, 3-1-69) - $\frac{NE}{4}$ Sec. 1; $\frac{NE}{4}$ Sec. 12 (R-3818, 9-1-69)
 - $\frac{NW}{4}$ Sec. 1; $\frac{NW}{4}$ Sec. 12 (R-3911, 2-1-70) - $\frac{NE}{4}$ Sec. 2 (R-4014, 9-1-70)
 - $\frac{NE}{4}$ $\frac{SW}{4}$ Sec. 11 (R-4063, 12-1-70) Ext: $\frac{SE}{4}$ Sec. 12 (R-7396, 12-8-83)

BAUM-UPPER PENNSYLVANIAN POOL
(Formerly Baum-Wolfcamp Pool)
Lea County, New Mexico

Order No. R-3368-A, Redesignating and Adopting Operating Rules for the Baum-Upper Pennsylvanian Pool, Lea County, New Mexico, June 1, 1968.

Order No. R-3368-A supersedes Order No. R-3368, adopting temporary operating rules for the Baum-Wolfcamp Pool, January 22, 1968.

Application of Coastal States Gas Producing Company for an Amendment to Order No. R-3368, Lea County, New Mexico.

CASE NO. 3701
Order No. R-3368-A

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 8 a.m. on May 22, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 29th day of May, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-3368, dated January 22, 1968, temporary Special Rules and Regulations were promulgated for the Baum-Wolfcamp Pool, Lea County, New Mexico, providing for 80-acre spacing units, limited well locations, and an 80-acre proportional factor of 4.77 for allowable purposes, and providing that said temporary rules be reconsidered at an examiner hearing in January, 1969.

(3) That the applicant, Coastal States Gas Producing Company, seeks amendment of the temporary Special Rules and Regulations promulgated by Order No. R-3368 to provide for 160-acre spacing units with the assignment of 80-acre allowables.

(4) That the applicant also seeks to have said rules and regulations, as proposed, made permanent.

(5) That a number of wells have been completed in the subject pool subsequent to the issuance of Order No. R-3368.

(6) That the additional evidence concerning the characteristics of the subject reservoir gained as a result of said completions establishes that one well in the pool can efficiently and economically drain and develop 160 acres.

(7) That the additional evidence presented indicates that the establishment of 160-acre spacing units and an 80-acre proportional factor of 4.77 for allowable purposes is warranted.

(8) That the Special Rules and Regulations promulgated by Order No. R-3368, as amended by this order, will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil in the pool.

(9) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-3368, as amended by this order, should be continued in full force and effect until further order of the Commission.

(10) That the aforementioned additional evidence also establishes that the subject pool is producing from the Upper Pennsylvanian formation rather than the Wolfcamp formation.

(11) That the subject pool should be redesignated the Baum-Upper Pennsylvanian Pool.

IT IS THEREFORE ORDERED:

(1) That, effective June 1, 1968, Order (a) of Order No. R-675-A, Order (a) of Order No. R-914, Order (e) of Order No. R-3367, and Order (a) of Order No. R-3389 are hereby amended by deleting therefrom the word "Wolfcamp" wherever it appears and substituting in lieu thereof the words "Upper Pennsylvanian."

(2) That the Special Rules and Regulations governing the Baum-Wolfcamp Pool, Lea County, New Mexico, promulgated by Order No. R-3368, are hereby amended to read in their entirety as follows, effective June 1, 1968:

**SPECIAL RULES AND REGULATIONS
FOR THE
BAUM-UPPER PENNSYLVANIAN POOL**

RULE 1. Each well completed or recompleted in the Baum-Upper Pennsylvanian Pool or in the Upper Pennsylvanian formation within one mile thereof, and not nearer to or within the limits of another designated Upper Pennsylvanian oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 160 acres, more or less, substantially in the form of a square, which is a quarter section being a legal subdivision of the United States Public Land Surveys.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice

(BAUM-UPPER PENNSYLVANIAN POOL - Cont'd.)

and hearing when an application has been filed for a non-standard unit consisting of less than 160 acres or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (158 through 162 acres) shall be assigned an 80-acre proportional factor of 4.77 for allowable purposes, and in the event there is more than one well on a 160-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 160 acres.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Baum-Upper Pennsylvanian Pool or in the Upper Pennsylvanian formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before June 1, 1968.

(2) That each well presently drilling to or completed in the Baum-Upper Pennsylvanian Pool or in the Upper Pennsylvanian formation within one mile thereof shall, after June 1, 1968, receive an allowable in the same proportion to a standard 160-acre allowable for the pool as the acreage presently dedicated to the well bears to 160 acres, until Form C-102 dedicating 160 acres to the well has been filed with the Commission, or until a non-standard unit containing less than 160 acres has been approved.

(3) That Order No. R-3368 entered by the Commission on January 22, 1968, is hereby superseded.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

NORTH SHIPROCK-DAKOTA POOL
San Juan County, New Mexico

Order No. R-3408, Adopting Operating Rules for the North Shiprock-Dakota Pool, San Juan County, New Mexico, April 29, 1968.

Application of Dugan Production Corporation for the Creation of an Oil Pool and for Special Pool Rules, San Juan County, New Mexico.

CASE NO. 3755
Order No. R-3408

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on April 24, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 29th day of April, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Dugan Production Corporation, seeks the creation of a new oil pool for Dakota production in San Juan County, New Mexico, and the establishment of special pool rules therefor providing for development on 2-1/2-acre spacing with a provision that each 40-acre tract be subject to a single Northwest New Mexico normal unit allowable.

(3) That the Thomas A. Dugan Shiprock Well No. 1, located in Unit B of Section 14, Township 30 North, Range 18 West, NMPM, San Juan County, New Mexico, has discovered a separate common source of supply which should be designated the North Shiprock-Dakota Oil Pool; that the vertical limits of said pool should be Dakota formation, and that the horizontal limits of said pool should be the NE/4 of said Section 14.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Superseded C-126
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

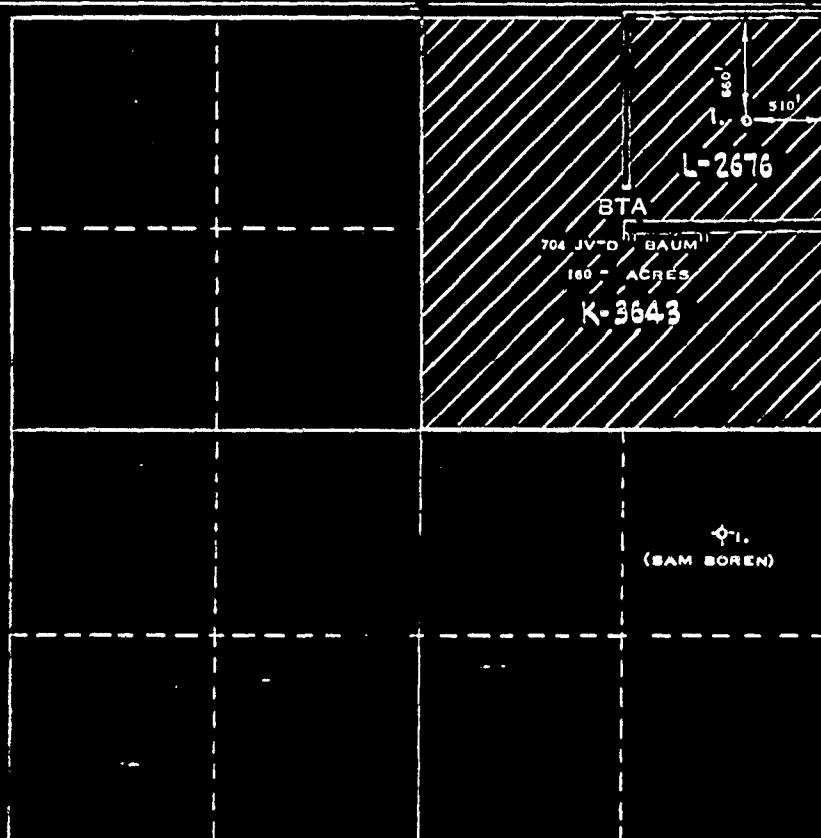
Operator BTA OIL PRODUCERS				Lease BAUM 704 JV-D "COM" 31		Well No. 1
Unit Letter "A"	Section 2	Township 14-S	Range 32-E	County AUG		
Actual Footage Location of Well: 660 feet from the NORTH line and 510 feet from the EAST line Ground Level Elev. 4293 Producing Formation BOUGH-PENNSYLVANIAN Pool BAUM Dedicated Acreage 160 Acres						

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 **COMMUNITIZATION**

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.

Name *L. D. Boyce*
 Position **Production Manager**
 Company **BTA Oil Producers**
 Date **8-26-70**

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
MAY 28, 1970

Registered Professional Geologist and/or Land Surveyor

Max A. Schumann
MAX A. SCHUMANN

Certificate No. **1510**

0 320 640 960 1280 1600 1920 2240 2560 2880 3200 3520 3840 4160 4480 4800 5120 5440 5760 6080 6400

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FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State ☒ Fee ☐
5. State Oil & Gas Lease No.
Z-854

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator BTA OIL PRODUCERS	8. Farm or Lease Name Baum 704 JV-D "Com"
3. Address of Operator 104 South Pecos Midland, Texas 79701	9. Well No. 1
4. Location of Well UNIT LETTER <u>A</u> <u>660</u> FEET FROM THE <u>North</u> LINE AND <u>510</u> FEET FROM THE <u>East</u> LINE, SECTION <u>2</u> TOWNSHIP <u>14-S</u> RANGE <u>32-E</u> NMPM.	10. Field and Pool, or Wildcat Baum Upper Penn
15. Elevation (Show whether DF, RT, GR, etc.) 4293' GR	12. County Lea

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input checked="" type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

TD 10,100' PB 10,097'
Ran 2-7/8" Tbg & tagged 5-1/2" csg stub @ 8336'
Unable to get inside 5-1/2" csg. Spotted 75 sx plug @ 8336'.
40 sx plug @ 7600', 40 sx plug @ 5490', 50 sx plug @ 4020'
Shot 8-5/8" csg @ 1310', 1002'.
LD 998' 8-5/8" csg. Spotted 75 sx plug @ 1032', 75 sx plug @ 396' & 10 sx plug @ Surface.
Installed dry hole marker.
P&A 1/13/79

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

SIGNED Bob K. Newland BOB K. NEWLAND TITLE Regulatory Supervisor DATE 1/25/79
APPROVED BY Eddie Dean TITLE OIL & GAS INSPECTOR DATE FEB 14 1980
CONDITIONS OF APPROVAL, IF ANY:

STATE OF NEW MEXICO
STATE LAND OFFICE
ACTIVE COMMUNITIZATIONS

002

COMMUNITIZATION NAME:

BTA Oil Producers-Drum 704 JV-D Com Well No. 1

OPERATOR:

BTA Oil Producers

DATE APPROVED:

9-8-70

EFFECTIVE:

6-1-70

COUNTY:

Lea

TOTAL ACREAGE:

160.00

STATE ACREAGE:

160.00

DEDICATED TO:

Pennsylvanian Formation

INSTITUTION:

Common Schools

TERM OF COMMUNITIZATION:

1 yr.

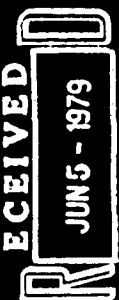
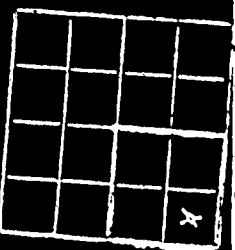
WELL LOCATION:

NE/4NE/4 (A)

TERMINATED

2-1-71

NE/4, 2-14S-32E



31 VLVMS
NOSIAO DNOI/VERSNOC TIO

SEC. TWP. RGE.

2 14S 32E
2 14S 32E

SUBDIVISION

W/2NE/4, SE/4NE/4
NE/4NE/4

LEASE NO.

K-3643
L-2676

LESSEE

Allied Chemical Corporation
Pennzoll United Inc.

ACREAGE

120.00
40.00
160.00

*Ulee P+ A

9-9-70

STATE OF NEW MEXICO
STATE LAND OFFICE

ACTIVE COMMUNITIZATIONS

11-1-70

COMMUNITIZATION NAME:

BVA Oil Producers-Daum 704 JV-D Com Well No. 1

OPERATOR:

BVA Oil Producers

DATE APPROVED:

9-8-70

EFFECTIVE:

6-1-70

COUNTY:

Lea

TOTAL ACREAGE:

160.00

STATE ACREAGE:

160.00

DEDICATED TO:

Pennsylvanian Formation

INSTITUTION:

Common Schools

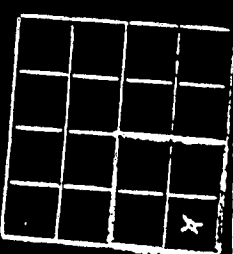
TERM OF COMMUNITIZATION:

1 yr.

WELL LOCATION:

NE/4NE/4 (A)

NE/4, 2-14S-32E



SEC. TWP. RGE.

2 14S 32E

SUBDIVISION

V/2NE/4, SE/4NE/4
NE/4NE/4

LEASE NO.

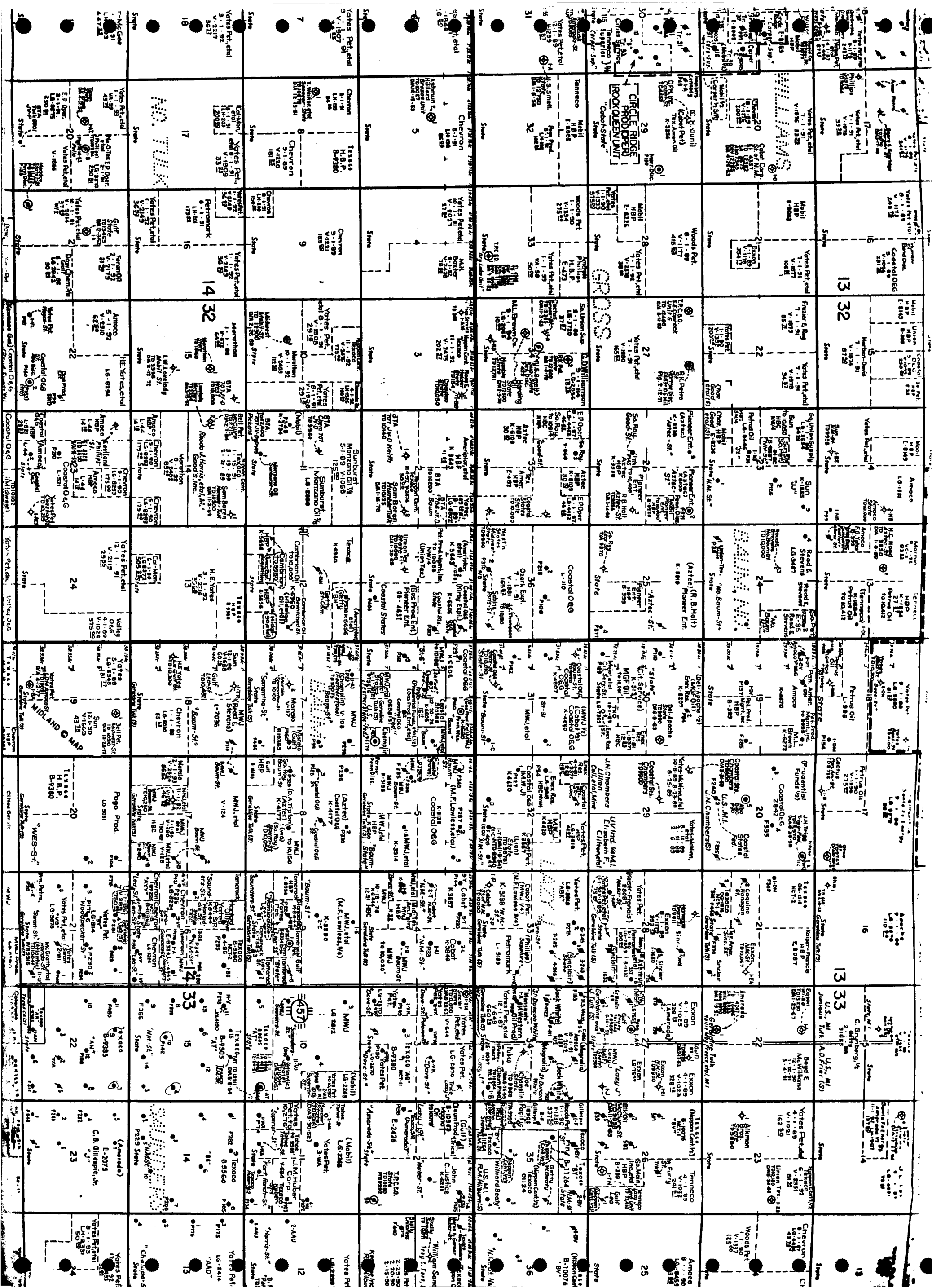
K-3643
L-2676

LESSOR

Allied Chemical Corporation
Pennzoil United Inc.

ACREAGE

120.00
40.00
160.00



SECTION 02 TOWNSHIP 14 South RANGE 32 East

D 40.22 ALL EXPL. ACQ	C 40.27 ALL EXPL. ACQ	B 40.33 ALL EXPL. ACQ	A 40.40 OPEN Marks & Garner Production Company 08 91 Z-854
10 75 F3643-3	10 75 F3643-3	10 75 F3643-3	
F ALL EXPL. ACQ	F ALL EXPL. ACQ	D ALL EXPL. ACQ	H ALL EXPL. ACQ
10 75 F3643-3	10 75 F3643-3	10 75 F3643-3	10 75 F3643-3
I OPEN	F OPEN	D OPEN	I OPEN
01 91	01 91	01 91	01 91
H OPEN	D OPEN	I OPEN	F OPEN
01 91	01 91	01 91	01 91

MARKS-GARNER PRODUCTION CO.

OIL CONSERVATION DIVISION
PRODUCERS OF OIL & GAS

Phone (505) 396-5326
P.O. Box 70 - 1421 S. Love St.
Lovington, New Mexico 88260

'92 MAR 11 AM 8 26

March 9, 1992

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

RE: Baum No. 1
Unit Letter "A"
Lea County, New Mexico

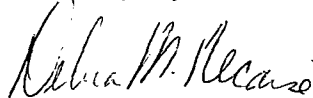
ATTN: Mike Stogner

Dear Mr. Stogner:

We are making application to a 40 acre non-standard unit allowable on the above reference lease. I have faxed you copies of the C-101, C-102, and a picture of the blowout preventer. I have also faxed you a copy of the letter from American Exploration Company stating they have no objections to Marks-Garner filing for this non-standard unit allowable.

If there is anything else we need to do to get this approved, please notify our office. Your assistance in getting this matter handled is greatly appreciated.

Thank you,



Debra M. Necaise
Office Manager