



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

October 13, 2004

Texland Petroleum, Inc.
777 Main Street
Suite 3200
Fort Worth, Texas 76102

Attention: Mr. Mark A. Jacoby

Re: Amendment of Division Order No. R-11638
Bowers "A" Federal Well No. 40
API No. 30-025-35754
2440' FNL & 170' FWL (Unit E)
Section 29, T-18 South, R-38 East, NMPM
Lea County, New Mexico

Dear Mr. Jacoby:

I have received your request dated October 4, 2004 to amend Division Order No. R-11638, which order authorized Texland Petroleum, Inc. to institute a waterflood project within the Hobbs Upper Blinebry Cooperative Waterflood Area. It is our understanding that due to surface obstructions, the Bowers "A" Federal Well No. 40, which was approved as an injection well by Division Order No. R-11638, needs to be relocated from its originally approved location 2440 feet from the North line and 195 feet from the West line (Unit E) to a new location 2440 feet from the North line and 170 feet from the West line (Unit E).

It appears that the proposed relocation of the Bowers "A" Federal Well No. 40 will not adversely affect any offset operators or interest owners within the Hobbs Upper Blinebry Cooperative Waterflood Area.

Texland Petroleum, Inc. is hereby authorized to drill its Bowers "A" Federal Well No. 40 at a surface location 2440 feet from the North line and 170 feet from the West line (Unit E) of Section 29, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico.

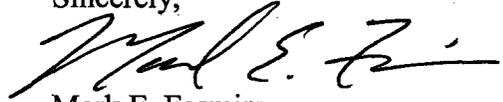
Amendment of Division Order No. R-11638

Texland Petroleum, Inc.

October 13, 2004

Page 2

Sincerely,



Mark E. Fesmire

Xc: OCD-Hobbs
 Case File-12666
 Well File-Bowers "A" Federal No. 40

TEXLAND PETROLEUM, INC.

RECEIVED

EXPLORATION AND PRODUCTION
777 MAIN STREET, SUITE 3200
FORT WORTH, TEXAS 76102

OCT 06 2004

AREA 817 338-2751

October 4, 2004

Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505

Mr. David Catanach
New Mexico Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Via facsimile: 505-476-3462

Re: Bowers "A" Federal No. 40
Hobbs Blinebry Field
Lea County, New Mexico

Dear Mr. Catanach:

This letter is to provide you information as requested by phone call with Donna Mull in the Hobbs District office regarding the recent drilling permitted location distance having changed 25' from the previous permitted location.

The surface space for this location has become more limited over the past 2 - 3 years, during which time the permit has been extended twice. Oxy has installed numerous flowlines and injection lines for a CO₂ flood. It was necessary to move the location 25' west to squeeze in the location even with a rig that requires a small "footprint".

The OCD Form C-102 is enclosed showing the revised location.

Thank you for your assistance in this matter.

Sincerely,



Mark A. Jacoby
Area Manager of Drilling & Production

MAJ:dh

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1006 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name BOWERS "A" FEDERAL	Well Number 40
OGRID No.	Operator Name TEXLAND PETROLEUM INC.	Elevation 3650'

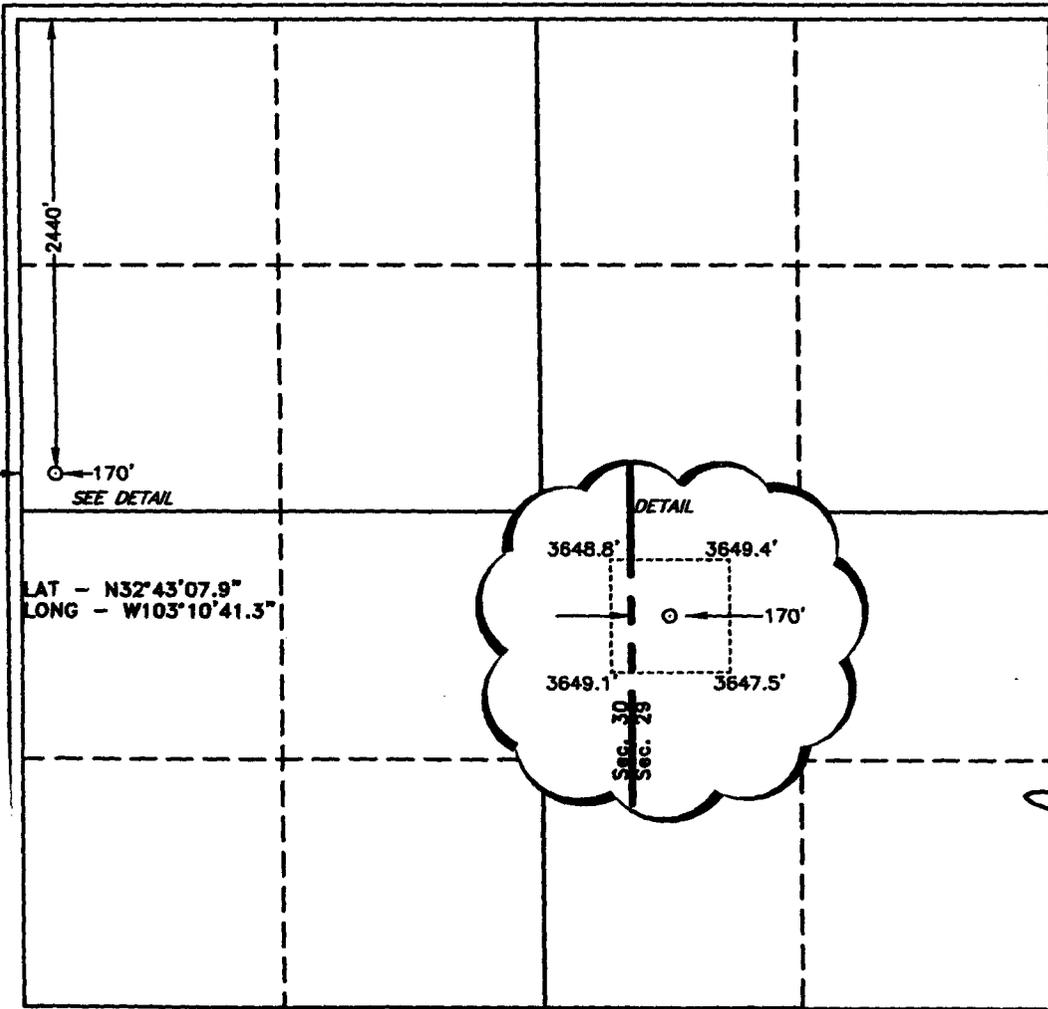
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	29	18 S	38 E		2440	NORTH	170	WEST	LEA

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
Dedicated Acres	Joint or Infill	Consolidation Code	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



OPERATOR CERTIFICATION

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

Mark A. Jacoby
Signature

Mark A. Jacoby
Printed Name

Area Mgr. of Drily + Prod.
Title

7-26-04
Date

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.

JULY 20, 2004

Date Surveyed

Gary L. Jones
Signature

GARY L. JONES
Professional Surveyor

NEW MEXICO

7977

N.O. No 12481

Certificate No. Gary L. Jones 7977

PROFESSIONAL LAND SURVEYORS

Resubmit OPERATOR'S COPY

Form 3160-3
(September 2001)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. LC-032233-A
1b. Type of Well: <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other INJECTION Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Texaco Petroleum - Hobbs, L.L.C.		7. If Unit or CA Agreement, Name and No.
3a. Address 777 Main #3200 Ft Worth, TX 76102		8. Lease Name and Well No. Bowers "A" Federal 40
3b. Phone No. (include area code) 817-336-2751		9. API Well No.
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 2440' FNL and 195' FWL At proposed prod. zone 170 See SN DATED 7/23/04		10. Field and Pool, or Exploratory Hobbs: Upper Blinberry
14. Distance in miles and direction from nearest town or post office* 3 miles west of Hobbs		11. Sec., T., R., M., or Blk. and Survey or Area Sec 29, T.18.S. R.38.E NMPM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 195' FWL	16. No. of Acres in lease 300	12. County or Parish Lea
17. Spacing Unit dedicated to this well 40	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	13. State New Mex.
19. Proposed Depth 6000	20. BLM/BIA Bond No. on file 588064	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3650	22. Approximate date work will start* 8/1/04	23. Estimated duration 12 days
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>Diane Harber</i>	Name (Printed/Typed) Diane Harber	Date 6/30/04
Title Regulatory Assistant		
Approved by (Signature) <i>Russ Sovensen</i>	Name (Printed/Typed) Russ Sovensen	Date 8/11/2004
Title Acting FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Lee County Controlled Water Basins

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

OPERATOR'S COPY

Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. LC 032233A

6. If Indian, Allottee or Tribe Name _____

7. If Unit or CA/Agreement, Name and/or No. _____

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well Oil Well Gas Well Other INJECTION

8. Well Name and No. Bowers A Federal 4C

2. Name of Operator Texland Petroleum L.P.

9. API Well No. _____

3a. Address #3200 777 Main Ft Worth, Tx 76102 3b. Phone No. (include area code) _____

10. Field and Pool, or Exploratory Area Hebbs: Upper Blinberry

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2440' FWL ÷ 170' FWL
Sec 29, T.18.S R.38.E NMPM

11. County or Parish, State Hea Co, N.M.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

See attached plat showing moving the stake from 195' FWL to 170' FWL.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Diane Harbor Title Regulatory Assistant

Signature Diane Harbor Date 7.23.04

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Russ Jensen Acting FIELD MANAGER Title _____ Date 8/11/2004

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office CARLSBAD FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)