

COASTAL MANAGEMENT CORPORATION
P. O. Box 2726
Midland, TX 79702

MAY 23 1995

May 18, 1995



New Mexico Oil Conservation Division _____
Oil and Gas Drilling Permits
P. O. Box 2308
Santa Fe, NM 87503-2308

Re: Non-standard drilling location
Lowe 27 Well No. 1
Unit 0 Sec. 27, T12S, R37E
Lea County, NM
642' From South Line and 2434' From East Line
Total Depth: 12,200'
Formation at TD: Devonian

Case 11321

Gentlemen:

We are requesting approval of non-standard location for the above mentioned well. We have filed application for permit to drill to Hobbs District Office. The reason for this request is based on 3D seismic interpretation and we have a limited target area as the east side of location is bounded by a fault and there are structural limitations on the west side of the location.

Your prompt response to this request is greatly appreciated.

Yours very truly,

A handwritten signature in cursive script that reads "Linda Johnston".

Linda Johnston, Agent
(915) 694-8228

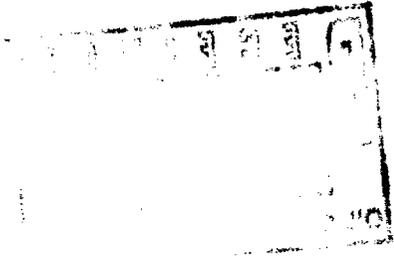
7.5 miles

Attachments

*Elys
et*

cc: NMCDHobbs

Tatum



District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer D, 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

Form C-101
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|--------------------------|------------------------|
| Operator Name and Address. Coastal Management Corporation P. O. Box 2726 Midland, TX 79702 | | OGRID Number 127951 |
| | | API Number 30 - 0 |
| Property Code | Property Name Lowe 27 | Well No. 1 |

Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| O | 27 | 12S | 37E | | 642 | South | 2434 | 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 Southwest Gladiola | Proposed Pool 2 Southwest Gladiola (Wolfcamp) |
|---------------------------------------|--|

| | | | | |
|---------------------|--------------------------|-----------------------|-----------------------|--------------------------------|
| Work Type Code N | Well Type Code O | Cable/Rotary R | Lease Type Code P | Ground Level Elevation 3892 |
| Multiple N | Proposed Depth 12,200 | Formation Devonian | Contractor XIADRIL | Spud Date 6/15/95 |

Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17 7/8 | 13 3/8 | 54.5 | 400 | 425 | Surface |
| 12 1/4 | 8 5/8 | 32 | 4500 | 1510 | Surface |
| 7 7/8 | 5 1/2 | 17 | 12,200 | 500 | 9600 |
| | | | | | |

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.

Proposed drilling program outlined in Item 21 above. Operator accepts risk of drilling location contingent upon approval of non-standard location.

Blowout prevention program attached.

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

Signature: *Linda Johnston*
 Printed name: Linda Johnston
 Title: Agent
 Date: 5/18/95
 Phone: (915) 694-8228

OIL CONSERVATION DIVISION

Approved by:
 Title:
 Approval Date: Expiration Date:
 Conditions of Approval:
 Attached

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|---------------------------------|---|-----------|---------------------------------|
| API Number | | Pool Code | Pool Name Southwest Gladiola |
| Property Code | Property Name LOWE 27 | | Well Number 1 |
| OGRID No. 12795 ¹ | Operator Name COASTAL MANAGEMENT CORPORATION | | Elevation 3892 |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| O | 27 | 12 S | 37 E | | 642 | SOUTH | 2434 | EAST | 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

| | | |
|--|--|--|
| | <p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p style="text-align: right;"><i>Linda Johnston</i></p> <p>Signature</p> <p style="text-align: center;">Linda Johnston</p> <p>Printed Name</p> <p style="text-align: center;">Agent</p> <p>Title</p> <p style="text-align: center;">5/18/95</p> <p>Date</p> | |
| | <p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p style="text-align: center;">MAY 12, 1995</p> <p>Date Surveyed</p> <p style="text-align: right;">MST</p> <p>Signature & Seal of Professional Surveyor</p> <p style="text-align: right;"><i>Ronald J. Eidson</i> 5-16-95</p> <p>P.O. Num. 95-14-0787</p> | |
| | <p>Certificate No. JOHN W. WEST, 676</p> <p>RONALD J. EIDSON, 3239</p> <p>GARY C. EIDSON, 4735</p> | |
| | | |