

Form 3160-3
(November 1983)
(formerly 9-331C)

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Phillips Petroleum Company

3. ADDRESS OF OPERATOR
4001 Penbrook St., Odessa, Texas 79762

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*)
 At surface
 Unit P, 660' FSL & 330' FEL
 At proposed prod. zone
 Unit P, 660' FSL & 330' FEL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
22 miles east of Carlsbad, NM

13. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 330'

18. NO. OF ACRES IN LEASE 1040

14. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1406' NW to #8

19. PROPOSED DEPTH 7600'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3321' GL (Unprepared)

5. LEASE DESIGNATION AND SERIAL NO.
NM 0479142

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
James E Fed.

9. WELL NO.
9

10. FIELD AND POOL, OR WILDCAT
Cabin Lake (Delaware)

11. SEC. T. R. M., OR BLE. AND SURVEY OR AREA
Sec. 11, 22-S, 30-E

12. COUNTY OR PARISH 13. STATE
Eddy NM

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

20. ROTARY OR CABLE TOOLS
Rotary

22. APPROX. DATE WORK WILL START*
Upon approval

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48#	475'	700 sx Cl 'C'
12-1/4"	8-5/8"	24#	3700'	1200 sx Cl 'C' tail w/200 sx Cl 'C'
7-7/8"	5-1/2"	15.5#	7600'	350 sx Cl 'C' 2nd stage 250 sx Cl 'C' tail w/400 sx Cl 'C'

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED L. M. Sanders TITLE Supv., Reg. Affairs DATE 6/1/93
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

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

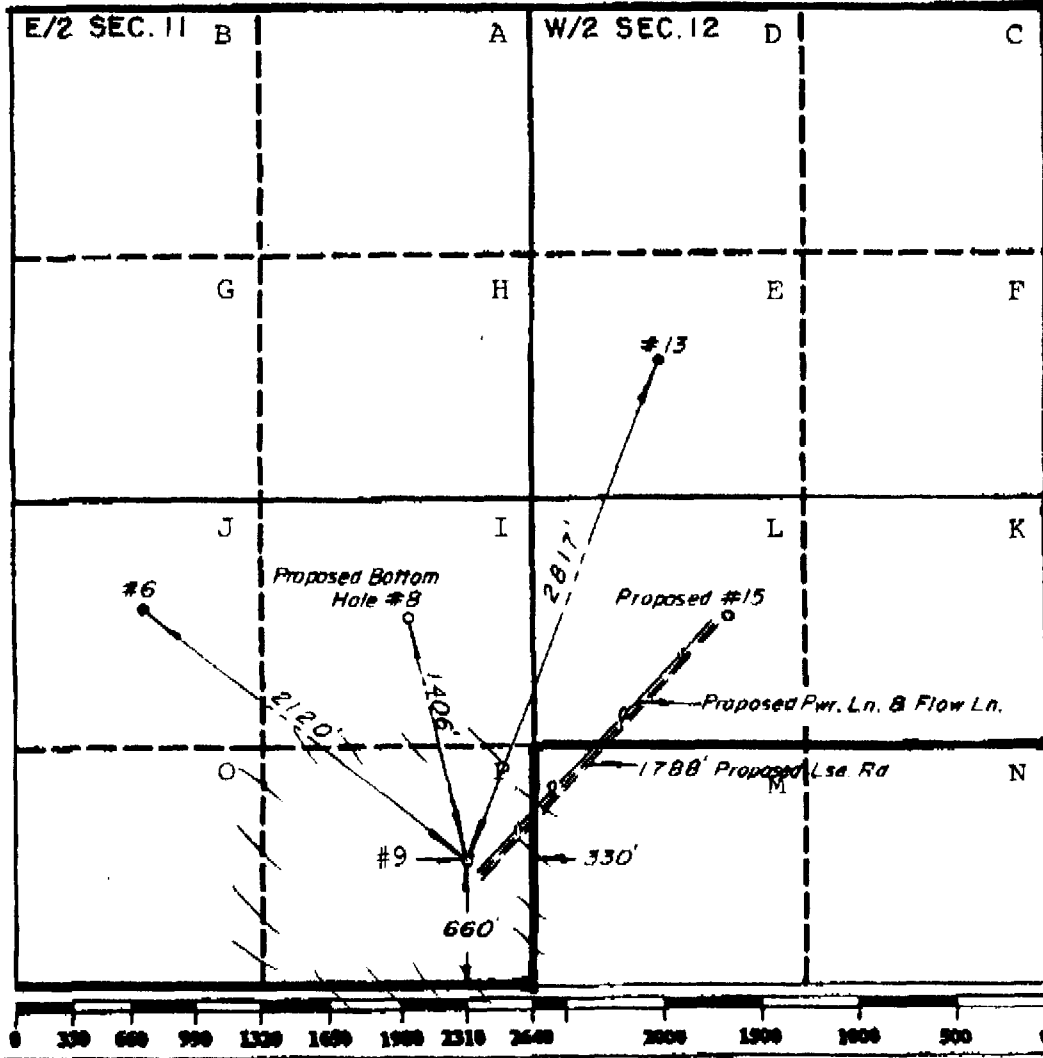
DISTRICT III 1000 Elv. Avenue Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator: PHILLIPS PETROLEUM COMPANY; Lease: JAMES E FEDERAL; Well No.: 9; Unit: P; Section: 11; Township: 22 SOUTH; Range: 30 EAST; County: EDDY; Actual Footage Location of Well: 660 feet from the SOUTH line and 330 feet from the EAST line; Ground level Elev.: 3321'; Producing Formation: CABIN LAKE (DELAWARE); Pool: CABIN LAKE (DELAWARE); Dedicated Acreage: 40 Acres

- 1. Outline the acreage dedicated to the subject well by colored pencil or indelible 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.?
If answer is "yes" list the correct 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 one-standard well, abstracting each 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: L. M. Sanders
Printed Name: L. M. Sanders
Position: Supv., Reg. Affairs
Company: Phillips Petroleum Co.
Date: June 1, 1993

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: APRIL 22, 1993
Signature & Seal of Professional Surveyor: [Signature]
Certificate No.: 4882

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
RECEIVED 1-1-89

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

JUN 10 '94

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

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

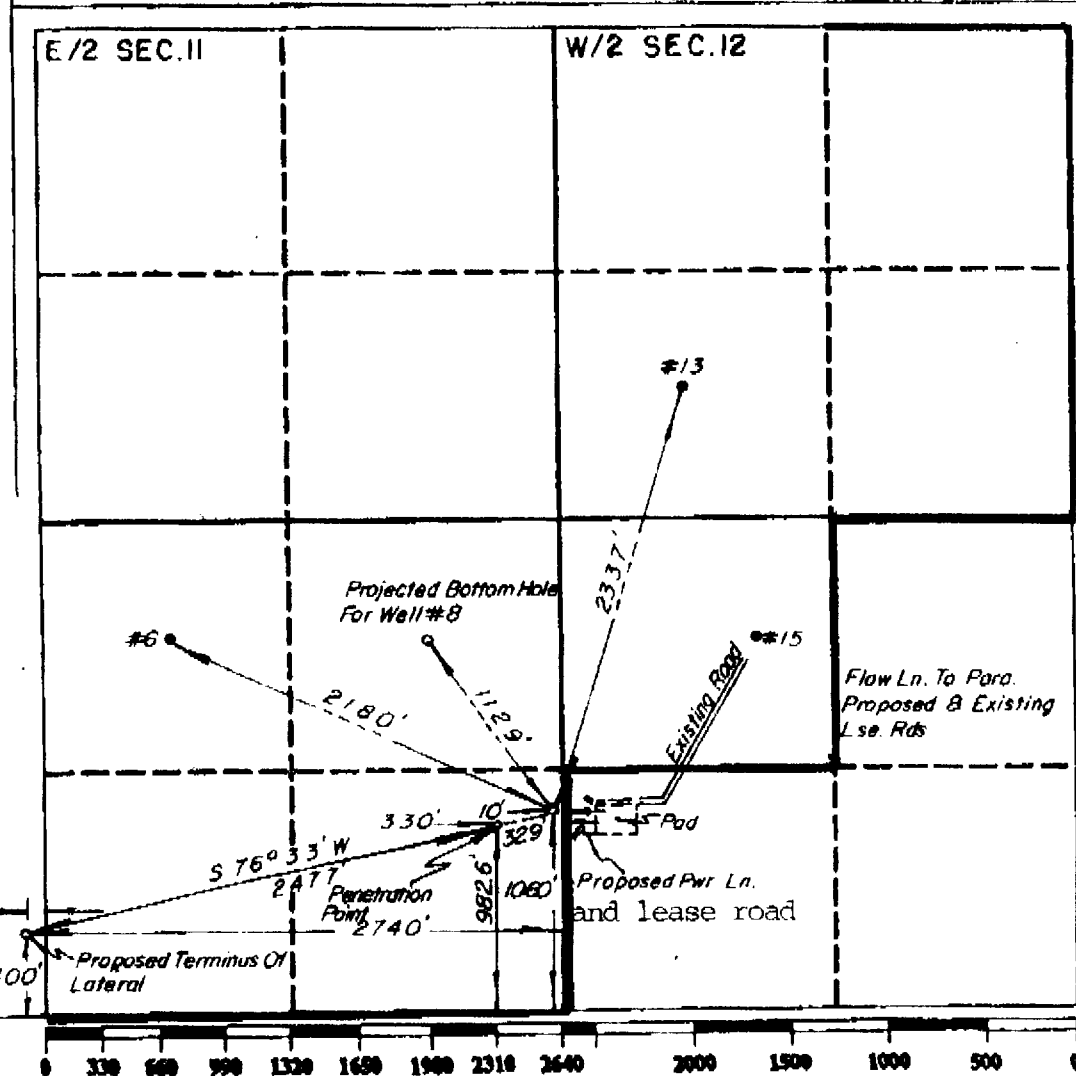
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

O. C. D.
ARTESIA OFFICE

Operator PHILLIPS PETROLEUM COMPANY		Lease JAMES E. FEDERAL		Well No. 9
Unit Letter P	Section 11	Township 22 SOUTH	Range 30 EAST	County EDDY
Actual Footage Location of Well: 1060 feet from the SOUTH line and 10 feet from the EAST line				
Ground level Elev. 3313'	Producing Formation Delaware	Pool Cabin Lake (Delaware)	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchwork 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 well, 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: *L. M. Sanders*
 Printed Name: **L. M. Sanders**
 Position: **Supv., Reg. Affairs**
 Company: **Phillips Petroleum Co.**
 Date: **6/7/94**

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: **APRIL 27, 1994**
 Signature & Seal of Professional Surveyor: *Leslie B. Pearson*
 Certificate No.: **4882**

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT
DAVID B. LAWRENZ
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 7, 1994

HAND DELIVERED

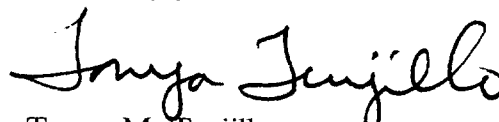
David Catanach
Hearing Examiner
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail, 2nd Floor
Santa Fe, New Mexico 87501

Re: *No. 20-94*
Case 11014
Application of Phillips Petroleum Company
Eddy County, New Mexico
Statement of Objection from Bass Enterprises Production Co.

Dear Mr. Catanach:

Enclosed please find four copies of the statement of objection of Bass Enterprises Production Co. in Case No. 11014, the Application of Phillips Petroleum Co. for a non-standard oil proration unit, an unorthodox oil well location, a high angle/horizontal directional drilling pilot project, special operating rules therefor, and a special project oil allowable and production testing period. I believe the original letter was delivered to Mr. Stogner. The enclosed statement was read into the record on July 7, 1994. Please add this written statement to the record.

Very truly yours,


Tanya M. Trujillo

TMT:rlr

cc: Mr. Tom Kellahin, Esq. w/enc.

BASS ENTERPRISES PRODUCTION CO. OIL CONSERVATION DIVISION

201 MAIN ST.

FORT WORTH, TEXAS 76102-3131

817/390-8400

RECEIVED

'94 JU 7 AM 8 50

July 6, 1994

Mr. Michael E. Stogner, Chief Hearing Examiner
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail, 2nd Floor
Santa Fe, New Mexico 87501

Re: Statement of Objection
James E Well No. 9
Section 11, T22S-R30E
Application of Phillips Petroleum Company
Eddy County, New Mexico


Dear Mr. Stogner:

On behalf of Bass Enterprises Production Co., this is to state Bass' objections to the application by Phillips Petroleum Company dated June 14, 1994, whereby Phillips has proposed the drilling of the James E Well No. 9 as a High Angle/Horizontal Directional Drilling Pilot Project. Bass is the owner of leases offsetting the entirety of the James E Well No. 9 wellbore, said Bass leases being located in Sections 12, 13, 14 and 15 of T22S-R30E within the James Ranch Unit.

Paragraph 5 (e) of the above application proposes an exception to Division General Rule 502 to establish a test period allowable. Bass hereby objects to the requested test period allowable as being exorbitant and unreasonable. Furthermore, due to the close proximity of the proposed wellbore to Bass' leases, the test allowable creates an undue hardship upon Bass to avoid competitive drainage and satisfy its obligations of the leases offsetting the proposed wellbore. According to the proposed test well allowable, Bass cannot effectively protect its leasehold from offset drainage, even with the drilling of 3 vertical wells, and therefore, Bass hereby requests that Phillips' test allowable be limited to 561 BOPD.

This statement is not intended to limit Bass' objection to the subject application on other grounds in the future. Bass has filed the appropriate notices with the NMOCDD in order to reserve its right to appeal any order granted to Phillips as a result of the subject application and testimony presented at the July 7, 1994 hearing.

Sincerely,


J. Wayne Bailey

JWB:ca



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

July 26, 1994

KELLAHIN AND KELLAHIN
Attorneys at Law
P. O. Drawer 2265
Santa Fe, New Mexico 87504

RE: CASE NO. 11014
ORDER NO. R-10158

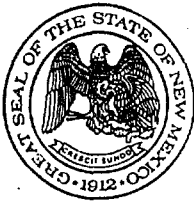
Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Sally E. Martinez
Sally E. Martinez
Administrative Secretary

cc: BLM - Carlsbad
Tanya Trujillo



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

October 20, 1994

KELLAHIN AND KELLAHIN
Attorneys at Law
P. O. Drawer 2265
Santa Fe, New Mexico 87504

RE: CASE NO. 11014
ORDER NO. R-10158-A

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Sally E. Martinez
Sally E. Martinez
Administrative Secretary

cc: BLM - Carlsbad
Elizabeth Harris
Michael Campbell