



**PHILLIPS PETROLEUM COMPANY**

ODESSA, TEXAS 79762  
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP November 26, 1986

RE: State 1-2  
Lease No. L-G888  
East Lusk-Bone Springs Field  
Lea County, New Mexico

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

*Case 9065*

Attn: R. L. Stamets, Director

Gentlemen:

Phillips Petroleum Company respectfully requests administrative approval for exception to Rule No. 2 of the East Lusk-Bone Springs Field Rules to allow a non-standard proration unit consisting of 120 acres. Field rules require 160 acres. Rule 3 allows administrative approval.

Previous completions in the Wolfcamp and Morrow formations have been uneconomical to produce. A successful completion in the Bone Springs will keep this well from being abandoned.

Attached for your information are copies of forms C-101, C-103, and copies of certified mail receipts to offset operators. See attached list.

Your early attention to this request is appreciated.

Yours very truly,

Larry M. Sanders  
Regulation and Proration Supervisor

LMS/JLD/sdb  
REG4.1/east

Attachment

cc: Oil Conservation Division  
P. O. Box 1980  
Hobbs, New Mexico 88240

## Offset Operators

Sol West III  
P. O. Box 10120  
El Paso, Texas 79992

J. M. Huber Corp.  
2000 West Loop South  
Houston, Texas 77027

Chevron USA, Inc.  
P. O. Box 670  
Hobbs, New Mexico 88240

Tenneco Oil Co.  
Box 2511  
Houston, Texas 77001

Shell Oil Co.  
Box 2463  
Houston, Texas 77001

Petroleum Development Corp.  
9720-B Candelaria Rd., N.E.  
Albuquerque, New Mexico 87112

Sun Exploration & Prod. Co.  
Box 2880  
Dallas, Texas 75221

Superior Oil Co.  
Box 1521  
Houston, Texas 77251

Davoil Inc.  
P. O. Box 12507  
Ft. Worth, Texas 76116

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

*Case 9065*

5A. Indicate Type of Lease  
STATE  FEE

5. State Oil & Gas Lease No.  
L-G888

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work  
b. Type of Well DRILL  DEEPEN  PLUG BACK   
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 UNIT LETTER E LOCATED 1980 FEET FROM THE North LINE  
AND 660 FEET FROM THE West LINE OF SEC. 2 TWP. 19-S RGE. 32-E NMPM

7. Unit Agreement Name  
8. Farm or Lease Name  
State 1-2

9. Well No.  
1

10. Field and Pool, or Wildcat  
East Lusk-Bone Springs

12. County  
Lea

19. Proposed Depth  
10150

19A. Formation  
Bone Springs

20. Rotary or C.T.

21. Elevations (Show whether DF, RT, etc.)  
3691 GR, 3712 RKB

21A. Kind & Status Plug. Bond

21B. Drilling Contractor

22. Approx. Date Work will start  
Upon Approval

~~PROPOSED~~ CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/4"	48# & 54#	444'	450 sk "C"	Surface
11"	8-5/8"	32#	5040'	612 sk H DV @ 300'	2nd stage
7-7/8"	5-1/2"	17#	13670'	1260 sk LW + 100 sk "C" 1600 sk "H"	surface 11845 (Temp. Survey)

Present status: Lusk Wolfcamp, East field; PBD 12950';  
Last test 9/5/86: 3.8 BOPD, 11 MCF/DPD, 11 BWPD

Proposed Procedure: Pull rods & pump. NU BOP. COOH w/tbg. MI & RU wireline unit. GIH w/dump bailer & dump 5 sk Class "H" cmt. on top of CIBP @ 12950'. Set CIBP @ 10350'. Load hole w/240 bbls. 2% KCl wtr. Pressure test bridge plug & csg. to 500 psi. Spot 50 bbls. 10% acetic acid from 10200' to 8000'. COOH w/tbg. GIH w/4" casing gun & perforate Bone Spring formation as follows using deep penetrating DML charges, 2SPF, spiral shot phasing, top to btm.:

Zone 1	8145'-8161'	16'	32 holes	8646'-8656'	10'	20 holes	Total of 94' & 188 holes
Zone 2	8664'-8672'	8'	16 holes	8680'-8690'	10'	20 holes	
	9206'-9210'	4'	8 holes				
Zone 3	9214'-9220'	6'	12 holes	9224'-9234'	10'	20 holes	(over)
	9239'-9251'	12'	24 holes				
Zone 4	10060'-10064'	4'	8 holes	10100'-10114'	14'	28 holes	

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed [Signature] Title Eng. Supervisor, Reservoir Date 11/13/86

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

PROCEDURE Contd.:

GIH w/RBP & RTTS-type packer on 2-7/8" tbg. Set RBP @ ±10200' & set packer @ ±9950'. Swab well to clean up perforations. Acidize Zone 4 Bone Spring perforations w/2700 gals. 15% NEFE HCl acid containing fines suspension agent & clay stabilizer. Flush acid to perforations w/61 bbls. 2% KCl water. Swab test well.

Unseat packer, unseat RBP. Reset RBP @ ±9350', set packer @ ±9320' & test RBP to 1000 psi. Unseat packer & reset @ ±9100'. Swab test well to clean up perforations. Acidize Zone 3 Bone Spring perforations w/3200 gals. 15% NEFE HCl acid containing fines suspension agent & clay stabilizer. Flush acid to perforations with 56 bbls. 2% KCl wtr. Swab test well.

Unseat packer, unseat RBP. Reset RBP @ ±8800', set packer @ 8770' & test RBP to 1000 psi. Unseat packer & reset @ 8500'. Swab test well to clean up perforations. Acidize Zone 2 Bone Spring perforations w/2800 gals. 15% NEFE HCl acid containing fines suspension agent & clay stabilizer. Flush acid to perforations w/54 bbls. 2% KCl wtr. Swab test well.

Unseat packer, unseat RBP. Reset RBP @ ±8250', Set packer @ 8220' & test RBP to 1000 psi. Unseat packer & reset @ ±8000'. Swab test well to clean up perforations. Acidize Zone 1 Bone Spring perforations w/2400 gals. 15% NEFE HCl acid containing fines suspension agent and clay stabilizer. Flush acid to perforations w/50 bbls. 2% KCl wtr. Swab test well.

Maximum treating rate 4 BPM @ 4000 psi maximum surface pressure. Maintain 500 psi on tbg.-csg. annulus while acidizing.

Unseat packer, unseat RBP. COOH w/tbg., packer, & bridge plug. GIH w/10000' 2-7/8" production tbg. GIH w/1-1/16" pump on rod string. (188 4700' 5/8" rods, 81 2025' 3/4" rods, 72 1800' 7/8" rods, 64 1600' 1" rods).

Hang well on. Run unit @ 10 SPM & 120" stroke.

WELL LOCATION AND ACREAGE DEDICATION PLAN

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

Operator Phillips Petroleum Company			Lease State 1-2		Well No. 1
Unit Letter E	Section 2	Township 19-S	Range 32-E	County Lea	

Actual Footage Location of Well:  
 1980 feet from the North line and 660 feet from the West line

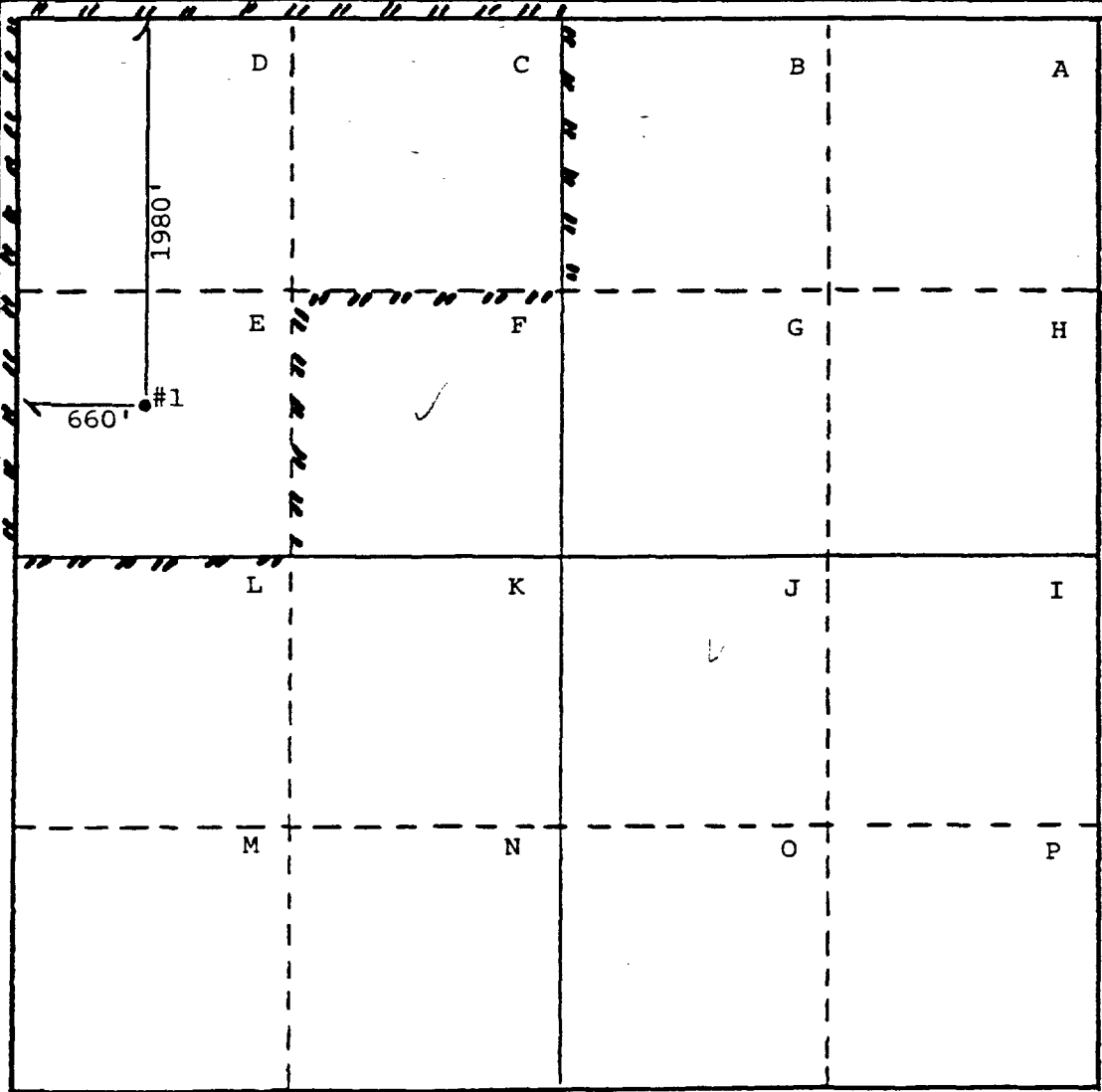
Ground Level Elev. 3681 GR	Producing Formation Bone Springs	Pool East Lusk - Bone Springs	Dedicated Acreage: 120 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease 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 interests 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 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.

*[Signature]*  
 Name: W.J. Mueller

Position: Eng. Supervisor, Reservoir

Company: Phillips Petroleum Co.

Date: 11/25/86

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.

10-31-82

Date Surveyed: John W. West

Registered Professional Engineer and/or Land Surveyor

Certificate No. John West #676  
 Patrick A. Romero #6663  
 Ronald J. Eidson #3239



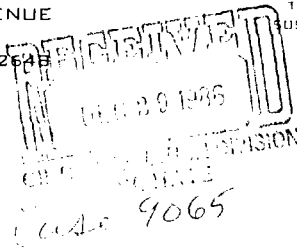


MURPHY OPERATING CORPORATION

UNITED BANK PLAZA, SUITE 300  
400 NORTH PENNSYLVANIA AVENUE  
POST OFFICE BOX 264B  
ROSWELL, NEW MEXICO 88202-264B

TELEPHONE  
305 623-7210

December 23, 1986



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

Attention: R.K. Stamets, Director

Re: Phillips Petroleum Company  
Request for Administrative Approval  
Correspondence dated 11/26/86  
State 1-2  
Lease No. L-G888  
Well No. 1  
East Lusk - Bone Spring Field  
Lea County, New Mexico

Gentlemen:

This letter is in response to Phillips Petroleum Company's request for administrative approval for exception to Rule No. 2 of the East Lusk - Bone Spring Field Rules, thus allowing a non-standard proration unit of 120-acres as opposed to the normal spacing of 160-acres.

On behalf of Sol West III (and other lease interest holders), we hereby protest and oppose this exception.

East Lusk Bone Spring production is from dolomite reservoirs, whereas in the proposed Phillips' workover well, the reservoir objective is a low permeability sandstone. Both first and second, Bone Spring Sandstone wells typically produce on 40-acre proration units in Lea County fields, such as the Young, EK, Querecho Plains (due north of Phillips' well) and the West Tonto Bone Spring (approximately one mile southeast of Phillips' well) fields. The 40-acre spacing patterns for these low permeability sandstone wells presumably allow for increased drainage efficiency.

If you find it agreeable, we would prefer to designate 40-acre proration units for the wells producing from the Bone Spring Sandstone on the above captioned well and surrounding acreage.

Sincerely,

on behalf of Sol West, III

LOS SIETE EXPLORATION, INC.

*George L. Scott III*  
George L. Scott, III  
Vice President

MURPHY OPERATING CORPORATION

*Mark B. Murphy*  
Mark B. Murphy  
President

GLS/MBM:dk

cc: Sol West III  
P. O. Box 10120  
El Paso, Texas 79992

J. M. Huber  
2000 West Loop South  
Houston, Texas 77027

Chevron USA, Inc.  
P. O. Box 670  
Hobbs, New Mexico 88240

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Box 2511  
Houston, Texas 77001

Shell Oil Co.  
Box 2463  
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Petroleum Development Corp.  
9720-B Candelaria Rd., N.E.  
Albuquerque, New Mexico 87112

Sun Exploration & Prod. Co.  
Box 2880  
Dallas, Texas 75221

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Box 1521  
Houston, Texas 77251

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P. O. Box 12507  
Ft. Worth, Texas 76116

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Phillips Petroleum Company  
4001 Penbrook  
Odessa, Texas 79762  
Attention: Larry M. Sanders  
Regulation & Proration Supervisor