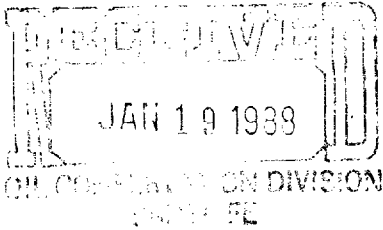


**PENNZOIL COMPANY**  
WESTERN DIVISION

MIDLAND DISTRICT, BRIERCROFT SAVINGS BUILDING • (915) 682-7316  
MAILING ADDRESS, P. O. DRAWER 1828 MIDLAND, TEXAS 79702-1828



January 13, 1988

*Case 9304*

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

Attn: Jerry Sexton

Re: Pennzoil-Maude Medlin No. 1  
Section 22, T16S, R37E  
Lea County, New Mexico

Dear Mr. Sexton:

Attached please find a permit application to drill the Maude Medlin No. 1 at an unorthodox location 990' FEL and 1980' FSL of Section 22, T16S, R37E, Lea County, New Mexico. Your prompt consideration of this matter would be greatly appreciated since a spud date of 1-24-88 is anticipated.

The Maude Medlin No. 1 was originally to be drilled at an orthodox location 810' FEL and 1980' FSL. A hearing was held 11-18-87 to force pool the E/2 SE/4 of Section 22 for the drilling of this well. No opposition was encountered and the order was made effective 11-24-87. During December the interest owners approved an AFE and operating agreement effectively negating the force pooling order.

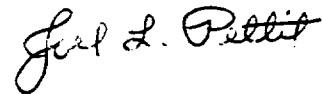
Some recent geophysical interpretations, however, have forced the location to be moved 180' west to 990' FEL and 1980' FSL of Section 22. The dedicated acreage will now be the N/2 SE/4 of Section 22. The unorthodox location hearing has been docketed for 2-3-88. Interest owner approval is currently being obtained and waivers of objection are being solicited from the offset operators. No opposition is expected from these offset operators since the location is unorthodox within the dedicated acreage and does not encroach on any proration unit line.

Jerry Sexton  
January 13, 1988  
Page 2

Within the mineral interests dedicated to this well is a lease with a 1-24-88 expiration date. A spud prior to this expiration was required. Pennzoil sought and received verbal permission from William Lemay, Division Director, last week to spud the well. Mr. Lemay encouraged Pennzoil to be on the docket as soon as possible for the unorthodox location, thus the 2-3-88 scheduled hearing.

If you have any questions, please call me collect at 915-682-7316. Again, your prompt consideration of this matter will be greatly appreciated.

Yours truly,



Joel L. Pettit  
Operations Superintendent

JLP/jp

cc: New Mexico Oil Conservation Division  
Attn: Mr. William J. Lemay

Mr. W. Thomas Kellahin  
G. SanFilippo  
W.W. Hollingshead  
L. Whitfield  
Well File

Attachment

|                        |  |
|------------------------|--|
| NO. OF COPIES RECEIVED |  |
| DISTRIBUTION           |  |
| SANTA FE               |  |
| FILE                   |  |
| U.S.G.S.               |  |
| LAND OFFICE            |  |
| OPERATOR               |  |

5A. Indicate Type of Lease  
STATE  FEE

5. State Oil & Gas Lease No.

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

7. Unit Agreement Name

2. Name of Operator  
PENNZOIL COMPANY

8. Farm or Lease Name  
MAUDE MEDLIN

3. Address of Operator  
P. O. DRAWER 1828 - MIDLAND, TEXAS 79702-1828

9. Well No.  
1

4. Location of Well  
UNIT LETTER I LOCATED 1980 FEET FROM THE South LINE  
AND 990 FEET FROM THE East LINE OF SEC. 22 TWP. 16-S R.C.C. 37-E N.M.P.M.

10. Field and Pool, or Wildcat  
Undesignated  
LOVINGTON PENN NORTHEAST

12. County  
LEA

19. Proposed Depth  
12,200

19A. Formation  
STRAWN

20. Rotary or C.T.  
Rotary

21. Elevations (show whether DF, KI, etc.)  
3779.5 GR

21A. Kind & Status Plug. Bond  
Blanket

21B. Drilling Contractor  
MORANCO

22. Approx. Date Work will start  
1-21-88

23. PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|----------|
| 17-1/2"      | 13-3/8"        | 48#             | 425           | 425             | Surface  |
| 11"          | 8-5/8"         | 28#             | 4400          | 1350            | 425      |
| 7-7/8"       | 5-1/2"         | 17#             | 12200         | 800             | 9000     |

BOP'S AS PER ENCLOSED DIAGRAMS

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

Signed Roy R. Johnson *Roy R. Johnson* Title Production Accountant Date January 13, 1988

(This space for State Use)

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

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

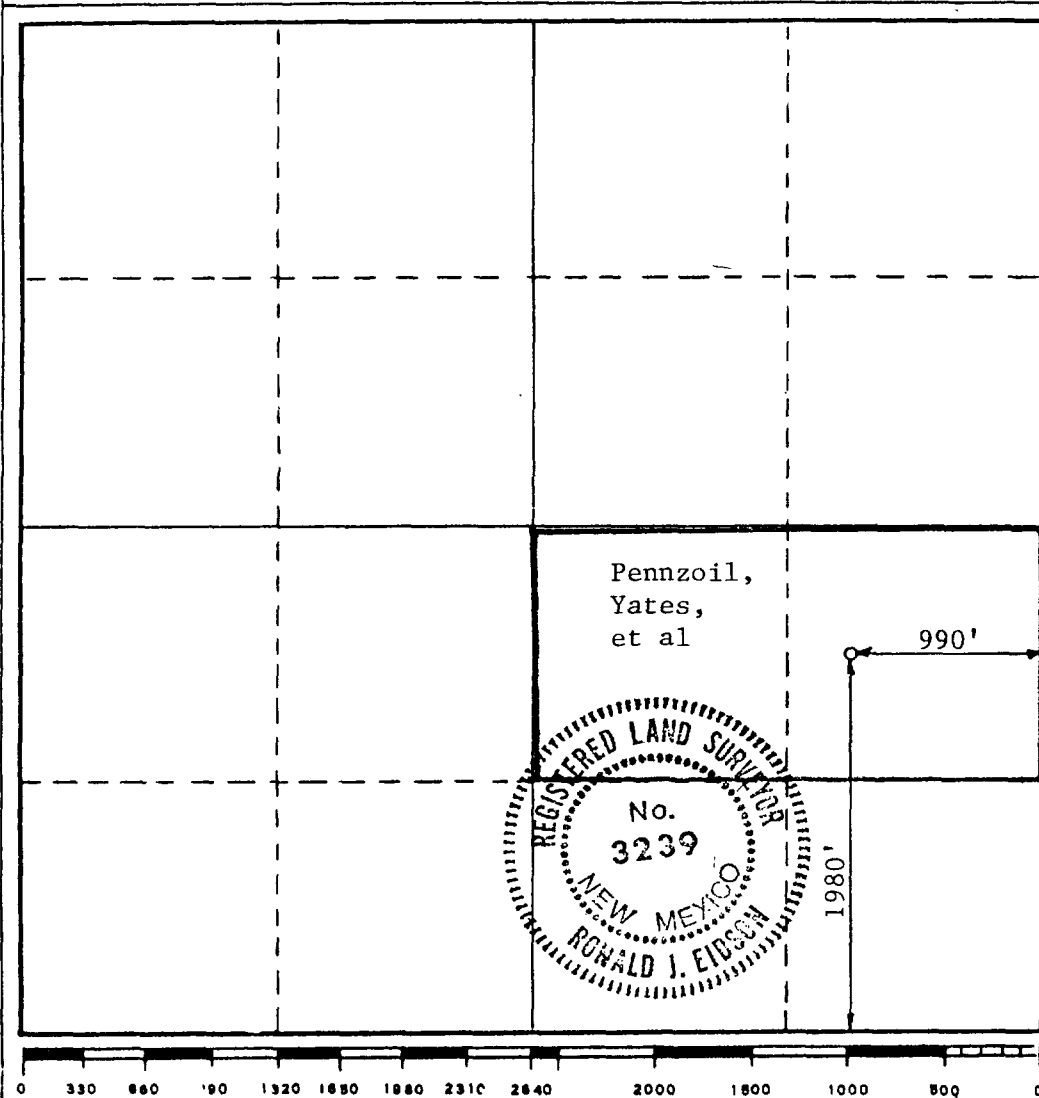
All distances must be from the outer boundaries of the Section.

|   |                                      |                              |   |                      |                                       |
|---|--------------------------------------|------------------------------|---|----------------------|---------------------------------------|
| Operator<br><b>PENNZOIL COMPANY</b>   |                                      | Lease<br><b>MAUDE MEDLIN</b> |   |                      | Well No.<br><b>1</b>                  |
| Unit Letter<br><b>I</b>   | Section<br><b>22</b>                 | Township<br><b>16 SOUTH</b>  | Range<br><b>37 EAST</b>                                     | County<br><b>LEA</b> |                                       |
| Actual Footage Location of Well:<br><b>1980</b> feet from the <b>SOUTH</b> line and <b>990</b> feet from the <b>EAST</b> line |                                      |                              |   |                      |                                       |
| Ground Level Elev.<br><b>3779.2'</b>  | Producing Formation<br><b>STRAWN</b> |                              | Pool<br><b>UNDESIGNATED<br/>LOVINGTON, NORTHEAST (PENN)</b> |                      | Dedicated Acreage:<br><b>80</b> Acres |

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.

*Roy R. Johnson*  
Name

ROY R. JOHNSON

Position

PRODUCTION ACCOUNTANT

Company

PENNZOIL COMPANY

Date

JANUARY 13, 1988

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

JANUARY 7, 1988

Registered Professional Engineer  
and/or Land Surveyor

*Ronald J. Eidson*

Certificate No. JOHN V. WEST, 676

RONALD J. EIDSON, 3239

