District I PO Box 1980, Hobbs, NM 88241-1980 District II 811 S. 1st Street, Artesia, NM 88210-2834 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico Energy, Minerals & Natural Resources Depart

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Form C-101 Revised October 18, 1994 Instructions on back Submit to Appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE														
1 Operator name and Address ARCO PERMIAN P.O.BOX 1610 MINIAND TX 70703										² OGRID Number 000990 ³ API Number				
MIDLAND, TX 79702											22605			
Property Code 5							/ Name				6 Well No.			
								NGTON "33" STATE 27						
UL or lot no. Section Township Range Lot Idn Feet from the North/South Line Feet from the Feet/West line Courts														
_	Section	Township	Range	Lot. Idn	Feet from				Feet from the	East/West line	County			
0	33	175	Proposed	Pottom	815		SOUTH If Different From		2525 Sumface	EAST	EDDY			
UL or lot no.	S	T	- 							T				
UL or lot no.	ot no. Section Township Range Lot. Idn Fee		Feet from	n the	the North/South Line		Feet from the	East/West line	County					
		9 Proposed	Pool 1						10 Proposed P	ool 2				
		ARTESIA ((Q-G-SA)	31	30	1								
11 Week To	C- 1-	1 12	W. 11.70		12	No.				-1				
11 Work Ty	pe Code	2 "	Well Type Code		13 Cable	13 Cable/Rotary		l ⁴ Lea	se Type Code	15 Ground Level Elevation				
1634.5	R S)	00			R			S		3668*			
16 Muli	tiple		7 Proposed Depth		¹⁸ Fon	18 Formation		¹⁹ Contractor		20 S _I	²⁰ Spud Date			
b	10		3200		ANDRES					8/98				
				²¹ Propo	sed Casing	g and Co	ement	Progran	n					
Hole Si	ze	Cas	ing Size	Casing weight/foot Setting Depth Sacks of Cen		Sacks of Ceme	nt Es	timated TOC						
11		8	-5/8		24#	778		3550			SURF.			
7-7/	8	5	1/2 15		15.5	.5 6405		1555			550° CBL			
						<u> </u>								
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 ORIGINALLY DRILLED AND COMPLETED AS THE EMPIRE ABO UNIT H-312 IN 1978. TD @ 6405'. TESTED ABO @ 6058'-6281'. TA'D W/CIBP @ 6042' 6/20/91. PROPOSED TO DUMP 35' CEMENT ON CIBP @ 6042', RUN CNL-GAMMA RAY-CCL AND PERF Q-G-SA AS INDICATED ON LOG. TEST AND FRAC AS NEEDED.														
NSL-4060 6-19-98														
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.							OIL CONSERVATION DIVISION							
Signature: Lizalech (. Cushen						Approv	Approved by: Jew W. Been BGX							
Printed name: ELIZABETH A. CASBEER						Title: Qitit Sulesvicor								
Title: REG./COMP. ANALYST						Approv	al Date:	7-6	7	xpiration Date: 7	1-6-99			

Revised February 10, 1994 Submit to Appropriate District Office

Pool Name

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT II P.O. Drawer DD, Artesia, NM 68211-0719

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

DISTRICT IV P.O. BOX 2088, SANTA FE, N.M. 87504-2088

API Number

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Pool Code

30-015-22605					,				
Property Code					Well Number				
22954		ļ <u>.</u>		WASH	27				
0GRID No.				P	Elevation 3665				
Surface Location									
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	33	17 S	28 E		815	SOUTH	2525	EAST	EDDY
Bottom Hole Location If Different From Surface									

Bottom note Education in 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 o	r Infill Co	nsolidation (Code Or	der No.				
40									

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

.5	•3	01	OPERATOR CERTIFICATION
	• •	-7	I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
ماه	04	2	Signature W. Chalen
01 09	110	013	EUZABETH A. CASBEER Printed Name REG Comp. ANALYST
.4	•PZ 0	14	Title 6 3 98 Date SURVEYOR CERTIFICATION
021 019	. 17	·	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 supervison, and that the same is true and correct to the best of my belief.
022 031	18	o 16	MARCH 3, 1998 Date Surveyed Million DMCC Signature D Scale Of Million Processional Surveyor Million
01 ³	27 2525		MEXICAL SUSTINION 5-4-98
. 210	815'		Certificate No. RONALD EIDSON 3239 CARMEDSON 12641 NOTES NATIONALD 12185

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS Application Acronyms: [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] [DD-Directional Drilling] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] TYPE OF APPLICATION - Check Those Which Apply for [A] [1] Location - Spacing Unit - Directional Drilling **NSL** \square NSP Check One Only for [B] or [C] Commingling - Storage - Measurement DHC ☐ CTB ☐ PLC Q PC OLS □ OLM [C]Injection - Disposal - Pressure Increase - Enhanced Oil Recovery □ WFX □ PMX □ SWD ☐ IPI ☐ EOR NOTIFICATION REQUIRED TO: - Check Those Which Apply, or \(\subseteq \text{Does Not Apply} \) .] U Working, Royalty or Overriding Royalty Interest Owners [B] Offset Operators, Leaseholders or Surface Owner [C] Application is One Which Requires Published Legal Notice [D]☐ Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office E Tor all of the above, Proof of Notification or Publication is Attached, and/or, ☐ Waivers are Attached [F] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding [3] I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action Note: Statement must be completed by an individual with supervisory capacity.



Elizabeth A. Casbeer Regulatory/Compliance Analyst

June 3, 1998

CERTIFIED RETURN RECEIPT MAIL

Altura Energy P. O. Box 4294 Houston, Texas 77210

Ladies and Gentlemen:

This letter will serve as notice that ARCO Permian has requested administrative approval from the NMOCD for an unorthodox location for Washington "33" State #27 under Rule 104.F. (3), due to geological conditions. It is a recompletion of a previously drilled well in the Empire Abo Unit, to the Artesia (Queen-Grayburg-San Andres) Field. The location for this well, formerly known as the EAU #H-312 is 815'FSL and 2525'FEL of Section 33, T17S, R28E, Eddy County, New Mexico.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the unorthodox location if no objection to the unorthodox location has been made within 20 days after the application has been received.

Elizabeth A. Casbeer
Regulatory/Com-1

EAC:lc



Elizabeth A. Casbeer Regulatory/Compliance Analyst

June 3, 1998

CERTIFIED RETURN RECEIPT MAIL

Bulldog Energy Corp. P. O. Box 668 Artesia, New Mexico 88210

Ladies and Gentlemen:

This letter will serve as notice that ARCO Permian has requested administrative approval from the NMOCD for an unorthodox location for Washington "33" State #27 under Rule 104.F. (3), due to geological conditions. It is a recompletion of a previously drilled well in the Empire Abo Unit, to the Artesia (Queen-Grayburg-San Andres) Field. The location for this well, formerly known as the EAU #H-312 is 815'FSL and 2525'FEL of Section 33, T17S, R28E, Eddy County, New Mexico.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the unorthodox location if no objection to the unorthodox location has been made within 20 days after the application has been received.

Casbe

Sincerely,

Elizabeth A. Casbeer

Regulatory/Compliance Analyst

EAC:lc



Elizabeth A. Casbeer Regulatory/Compliance Analyst

June 3, 1998

CERTIFIED RETURN RECEIPT MAIL

Mack Chase, Trustee P. O. Box 1767 Artesia, New Mexico 88211

Ladies and Gentlemen:

This letter will serve as notice that ARCO Permian has requested administrative approval from the NMOCD for an unorthodox location for Washington "33" State #27 under Rule 104.F. (3), due to geological conditions. It is a recompletion of a previously drilled well in the Empire Abo Unit, to the Artesia (Queen-Grayburg-San Andres) Field. The location for this well, formerly known as the EAU #H-312 is 815'FSL and 2525'FEL of Section 33, T17S, R28E, Eddy County, New Mexico.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. The Division Director may approve the unorthodox location if no objection to the unorthodox location has been made within 20 days after the application has been received.

da. Cashen

Sincerely,

Elizabeth A. Casbeer

Regulatory/Compliance Analyst

EAC:lc



Elizabeth A. Casbeer Regulatory/Compliance Analyst

June 3, 1998

Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Gentlemen:

Under the provisions of NMOCD Rule 104.F(d), ARCO Permian requests administrative approval for unorthodox location for its Washington "33" State #27, a recompletion of a previously drilled well in the Empire Abo Unit, to the Artesia (Queen-Grayburg-San Andres) Field. The location for this well, formerly known as the EAU #H-312 is 815'FSL and 2525'FEL of Section 33, T17S, R28E, Eddy County, New Mexico. This well was drilled at an approved unorthodox location for the original horizon.

As required, we are submitting a plat showing the subject 40-acre spacing unit with the unorthodox location, a map identifying the adjoining and diagonal encroached-upon leases and wells, and a list of affected parties.

Should you have any questions, please do not hesitate to call me at 915-688-5570 or Dave Pearcy at 915-688-5355. Thank you for your assistance in this matter.

Sincerely, Alizalut a. Cashen

Elizabeth A. Casbeer

Regulatory/Compliance Analyst

EAC:lc

cc: NMOCD, Artesia, New Mexico

OFFSET OPERATORS WASHINGTON "33" STATE #27

Mack Chase, Trustee P. O. Box 1767 Artesia, New Mexico 88211

Altura Energy Ltd. P. O. Box 4294 Houston, Texas 77210

Bulldog Energy Corp. P. O. Box 668 Artesia, New Mexico 88210

STATE OF TEXAS

COUNTY OF MIDLAND

BEFORE ME, the undersigned authority on this day personally appeared Elizabeth A. Casbeer, a Regulatory Compliance Analyst with ARCO Permian, who being by me duly sworn, deposes and states that the persons listed on the foregoing attached list has been sent a copy on June 3, 1998, Oil Conservation Division Form C-101 (and supporting documentation) entitled, "Application For Permit to Drill or Deepen" for the Washington "33" State #27.

ARCO Permian

Elizabeth A. Casheer

SUBSCRIBED AND SWORN TO before me on June 3, 1998, to certify which witness my hand and seal of office.

LEIGH ANN LANE

Notary Public, State of Texas

NOTARY PUBLIC, STATE OF TEXAS

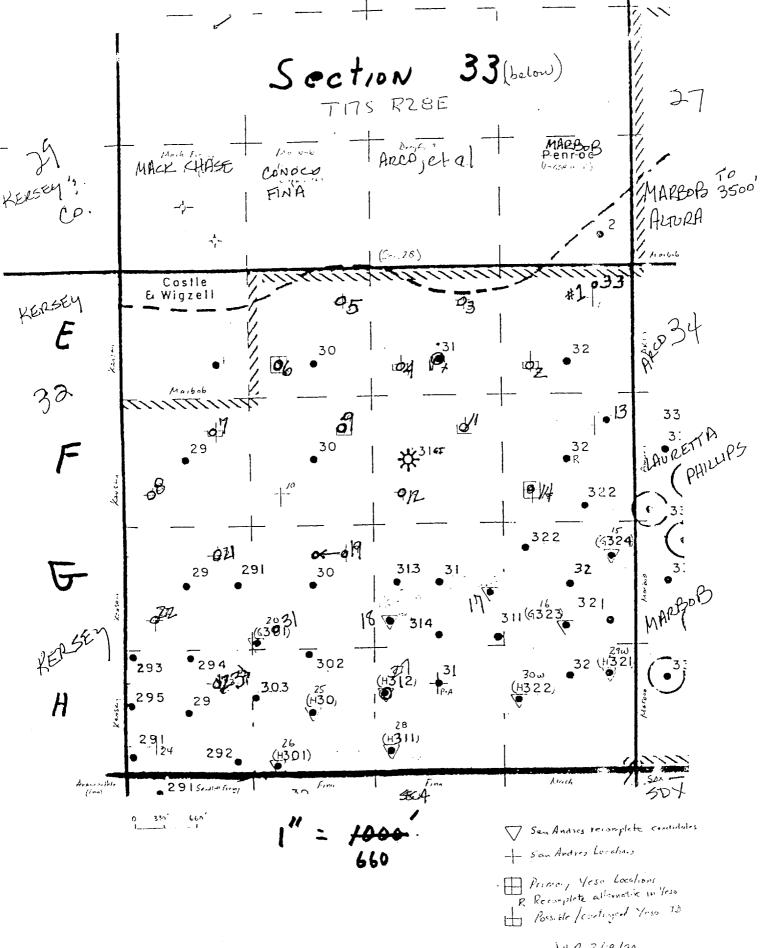
Geologic and Engineering Discussion for Washington 33 State #27 Unit O of Section 33, T17S, R28E, Eddy County, New Mexico

ARCO Permian requests administrative approval for unorthodox location for Washington 33 State #27 and #28 in the Artesia (Q-G-SA) Field, both as recompletions of wells drilled to a deeper horizon. Both wellbores are required for geologic reasons, and will be simultaneously dedicated to Unit Letter O of Section 33.

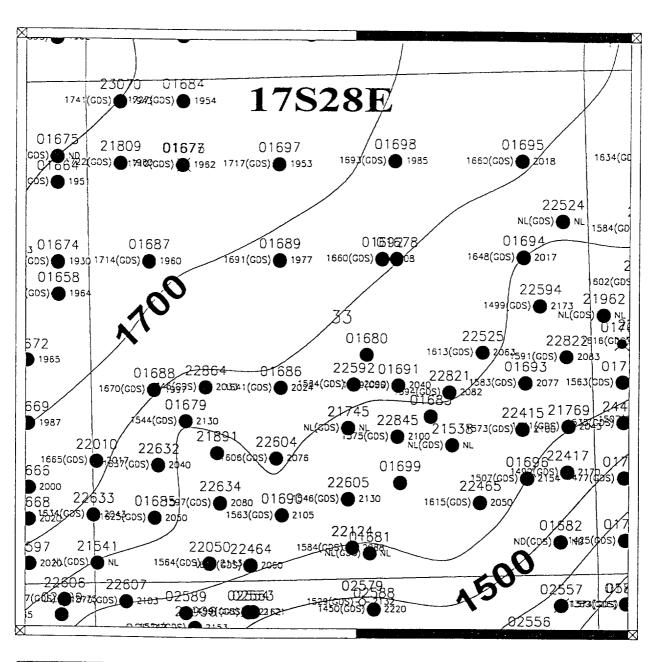
ARCO will require 2 strategically spaced wellspots in each 40-acre tract to recover reserves in the Artesia pool. Wherever possible, our well pattern dictates a wellbore in the NE quadrant and SW quadrant of each 40 acres. Recompletion of these Empire (Abo) wellbores, which are 503 ft. apart, will prevent wasteful drilling expense and provide satisfactory results, even though #27 is "off-pattern"...

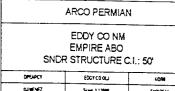
At a future date, we anticipate a waterflood could be initiated to effectively sweep both dolomite and sand reservoirs. Optimum results can only be achieved with good spacing of the primary wells. Core results show the Queen-Grayburg-San Andres "sand" pays should yield 130 MBO per 40 acres, but the modest 35 MBO recovered from "sand" wells on and surrounding our lease indicates that 10-20 acre drainage for these pays is reasonable.

We have therefore determined that two wells per 40 acres will effectively drain this reservoir and protect correlative rights. Where inexpensive recompletions are available, 500 ft. between wells will avoid wasteful drilling. With current technology, the drainage radius for these San Andres wells is probably 10 acres, so we do not expect to be affecting any offset owner's correlative rights with these unorthodox locations.



2BP 2/19/78





Scale 1:12000.