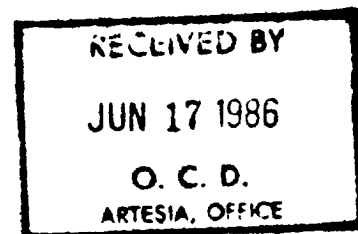


EXXON COMPANY, U.S.A.
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

PRODUCTION DEPARTMENT
SOUTHWEST ROCKY MOUNTAIN DIVISION



June 16, 1986

Emergency Flare Permit
Palmillo Upper Penn Pool
Millman-Queen-Grayburg-
San Andres, East Pool
Eddy County, New Mexico

Mr. Les Clements
Artesia District Supervisor
New Mexico Oil Conservation Division,
District 2
Artesia, New Mexico 88210

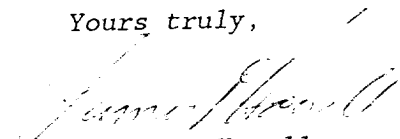
Dear Mr. Clements:

Per your June 12, 1986 conversation with our Bill Duncan, Exxon was notified on June 11, 1986 that the Conoco-operated Turkey Track Booster Station had been shut down on the evening of June 8, 1986 for repairs. The repairs and system modification to the compressor station are expected to last approximately two weeks.

Exxon has five low GOR wells that will be affected, and we request permission to continue to produce them and to flare the associated gas during the shutdown. This letter is to confirm our verbal request and your approval.

The attached table contains data on the wells and the casinghead gas sales which will be affected. Please contact Rick Shephard at (915) 686-4103 or Bob Vandervoort at (915) 523-3215 if you have any further questions.

Yours truly,



James D. Howell

JDH:ssf

Attachment

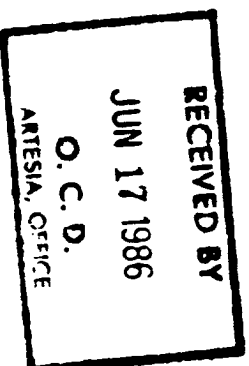
*I GAVE VERBAL APPROVAL ON THE
ON JUNE 12th from [unclear]*

Wells Affected by Conoco's Booster Station Shutdown
Eddy County, New Mexico

	Regulatory Pool	Regulatory Lease	Wells	Production			
				BOPD	BWPD	1000 SCFPD	GOR SCF/BBL
Palmillo Upper Pen		777770	New Mexico DC State #1	20	0	20 mcf	1000
			New Mexico DC State #2	10	60	31 mcf	3100
Millman-Queen-Grayburg-San Andres, East		777771	New Mexico DC State #3	10	20	17 mcf	1700
			New Mexico DC State #4	10	60	24 mcf	2400
			New Mexico DC State #5	12	50	41 mcf	3417

TOTAL

62 190 133 mcf



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	<input checked="" type="checkbox"/>
FILE	<input checked="" type="checkbox"/>
U.S.O.S.	
LAND OFFICE	
OPERATOR	<input checked="" type="checkbox"/>

OIL CONSERVATION DIVISION

P. O. BOX 2058
SANTA FE, NEW MEXICO 87501

RECEIVED BY
OCT 02 1984
O. C. D.
ARTESIA

Form C-103
Revised 10-1-78

5a. Indicate Type of Lease

State ☒

Fee ☐

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER-	7. Unit Agreement Name
2. Name of Operator EXXON CORPORATION	8. Farm or Lease Name N.M. DC STATE
3. Address of Operator Box 1600, MIDLAND, TEXAS 79702	9. Well No. 1
4. Location of Well UNIT LETTER H 1980 FEET FROM THE NORTH LINE AND 660 FEET FROM THE EAST LINE, SECTION 18 TOWNSHIP 19S RANGE 29E NMPM.	10. Field and Pool, or Wildcat PALMILLO-UPPER PENN.
15. Elevation (Show whether DF, RT, GR, etc.) 3379 RKB	12. County EDDY

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐
TEMPORARILY ABANDON ☐
PULL OR ALTER CASING ☐
OTHER

PLUG AND ABANDON ☐
CHANGE PLANS ☐
OTHER

REMEDIAL WORK ☒
COMMENCE DRILLING OPNS. ☐
CASING TEST AND CEMENT JOBS ☐
OTHER

ALTERING CASING ☐
PLUG AND ABANDONMENT ☐

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

1. PULLED RODS AND TUBING.
2. SET PKR AT 9632'
3. FRAC PERFS 9674-9982' w/24,000 GAL NF 40 FLUID AND 24,000 GAL 15% HCL.
4. PLACED WELL ON PUMP. TESTED FOR 8-DAYS - FINAL TEST - 65BD PLWS 113BU.

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

SIGNED D. H. Lowe

TITLE SR. ADMIN

DATE 10-1-84

APPROVED BY

Original Signed By
Leslie A. Clements
TITLE Supervisor District II

DATE OCT 02 1984

CONDITIONS OF APPROVAL, IF ANY:

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	<input checked="" type="checkbox"/>
FILE	<input checked="" type="checkbox"/>
U.S.G.S.	
LAND OFFICE	
OPERATOR	<input checked="" type="checkbox"/>

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

JUN 11 1984

O. C. D.
ARTESIA, OFFICE

Form C-103
Revised 10-1-78

3a. Indicate Type of Lease	
State <input checked="" type="checkbox"/>	Fee <input type="checkbox"/>
5. State Oil & Gas Lease No.	
LG-1637	

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
2. Name of Operator EXXON CORPORATION ✓	8. Form or Lease Name NEW MEXICO STATE
3. Address of Operator Box 1600, MIDLAND, TEXAS 79702	9. Well No. 1
4. Location of Well UNIT LETTER <u>H</u> 1980 FEET FROM THE <u>NORTH</u> LINE AND <u>660</u> FEET FROM THE <u>EAST</u> LINE, SECTION <u>18</u> TOWNSHIP <u>19S</u> RANGE <u>29E</u> NEPRA.	10. Field and Pool, or Whdcat PALMILLO- UPPER PENN
15. Elevation (Show whether DF, RT, GR, etc.) 3379 RKB	12. County EDDY

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒
TEMPORARILY ABANDON ☐
PULL OR ALTER CASING ☐
OTHER _____

PLUG AND ABANDON ☐
CHANGE PLANS ☐
OTHER ☐

SUBSEQUENT REPORT OF:
REMEDIAL WORK ☐
COMMENCE DRILLING OPER. ☐
CASING TEST AND CEMENT JOB ☐
OTHER ☐
ALTERING CASING ☐
PLUG AND ABANDONMENT ☐

17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1108.

- PULL RODS AND TUBING.
- SET TREATING PKR AT 9650' - TEST TBL TO 5000 PSI.
- FRAC PERF 9674-9982 w/24000 GAL WF40 FLUID AND 24000 GAL 15% HCL.
- SWAB WELL - PLACE ON PRODUCTION.

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

SIGNED D. F. Lowe

TITLE SR. ADMIN

DATE 6-8-84

APPROVED BY M. Williams

TITLE OIL AND GAS INSPECTOR

DATE JUN 11 1984

CONDITIONS OF APPROVAL, IF ANY: