

101 OK
District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 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

Operator Name and Address. DALEN Resources Oil & Gas Co. 6688 N Central Expwy., Suite 1000 Dallas, Texas 75206-3922		OGRID Number 016751
Property Code 16422	Property Name Murchinson State ②	API Number 30-015-28298
		Well No. 1

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
H	2	25 S	26 E		1980	North	660	East	Eddy

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1 Wildcat					Proposed Pool 2				

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3343
Multiple N	Proposed Depth 8700'	Formation Wolfcamp	Contractor Advanced Downhole	Spud Date 1/15/95

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48	250'	280	Surface
12 1/4"	8 5/8"	24	2000'	775	Surface
7 7/8"	5 1/2"	17	8700'	775	4000'

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.

1 pipe, 1 blind, 1 hydril 5000 psi wp
This application is to drill and test the Brushy Canyon and Bone Spring formations.

Part ID-1
1-20-95
New Loc & API

JAN 5 95

C. C. D.
ARTESIA OFFICE

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

Signature:

Printed name:

Lorri S. Jackson

Title:

Regulatory Analyst

Date:

12/28/94

Phone:

(214) 750-3800

OIL CONSERVATION DIVISION

Approved by:

SUPERVISOR, DISTRICT II

Title:

Approval Date:

JAN 12 1995

Expiration Date:

7-12-95

Conditions of Approval:

Attached ☐

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name MURCHINSON STATE 2	Well Number 1
OGRID No.	Operator Name DALEN RESOURCES	Elevation 3343

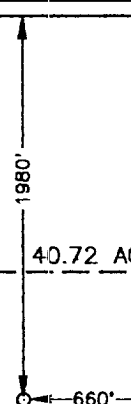
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	2	25 S	26 E		1980	NORTH	660	EAST	EDDY

Bottom Hole Location If Different From Surface

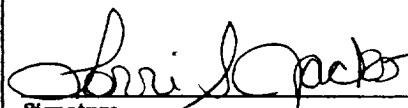
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
40									

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

LOT 4 41.24 AC.	LOT 3 41.15 AC.	LOT 2 40.96 AC.	LOT 1 40.72 AC.
			

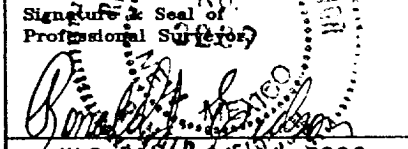
OPERATOR CERTIFICATION

I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.

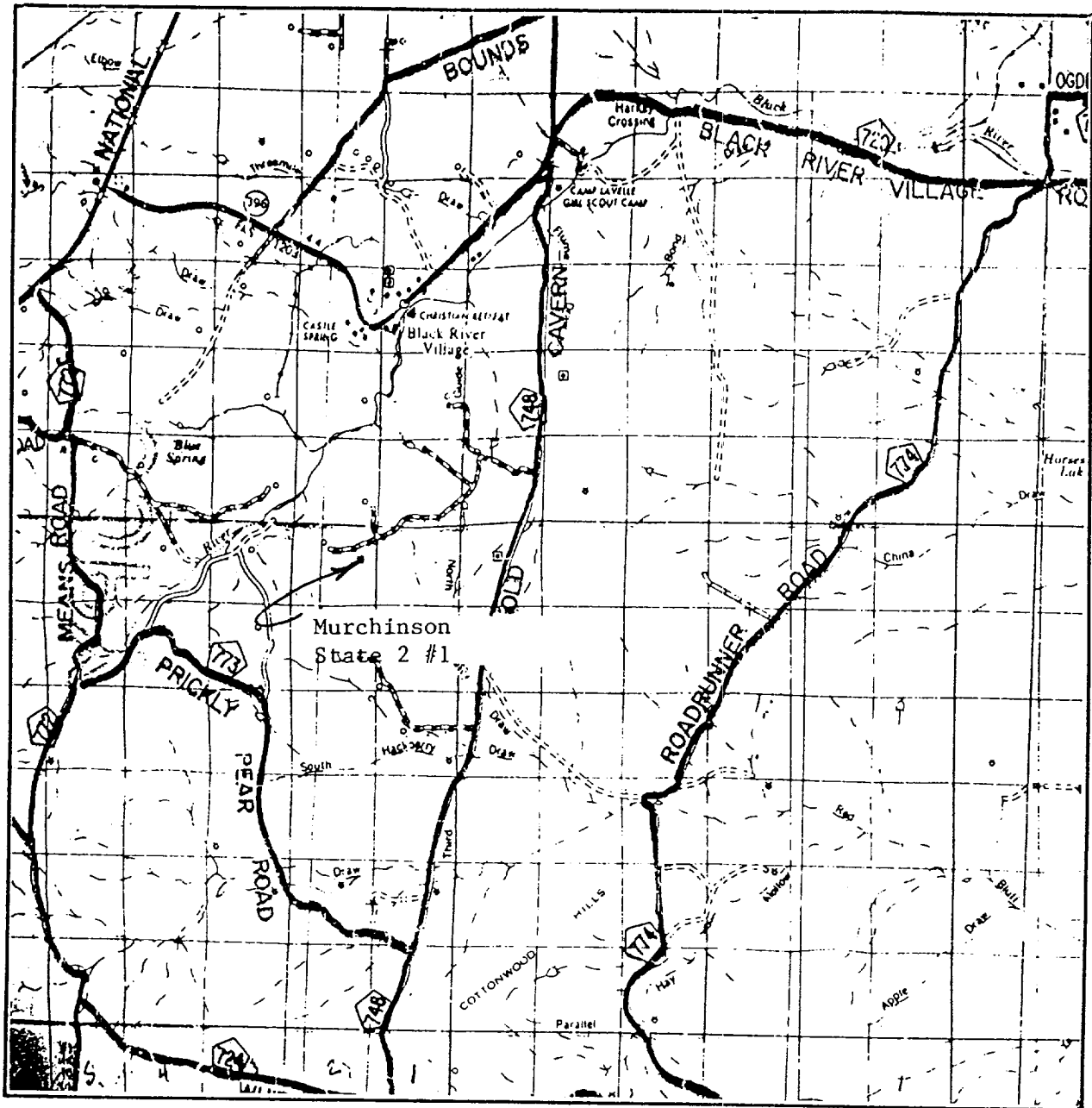

Signature
Lorri S. Jackson
Printed Name
Regulatory Analyst
Title
1/3/95
Date

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 belief.

DECEMBER 20, 1994
Date Surveyed
Signature & Seal of Professional Surveyor

W.O. 16340 94E17-2206
Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 2 TWP. 25-S RGE. 26-E

SURVEY N.M.P.M.

COUNTY Eddy STATE N.M.

DESCRIPTION 1980' FNL. & 660' FEL.

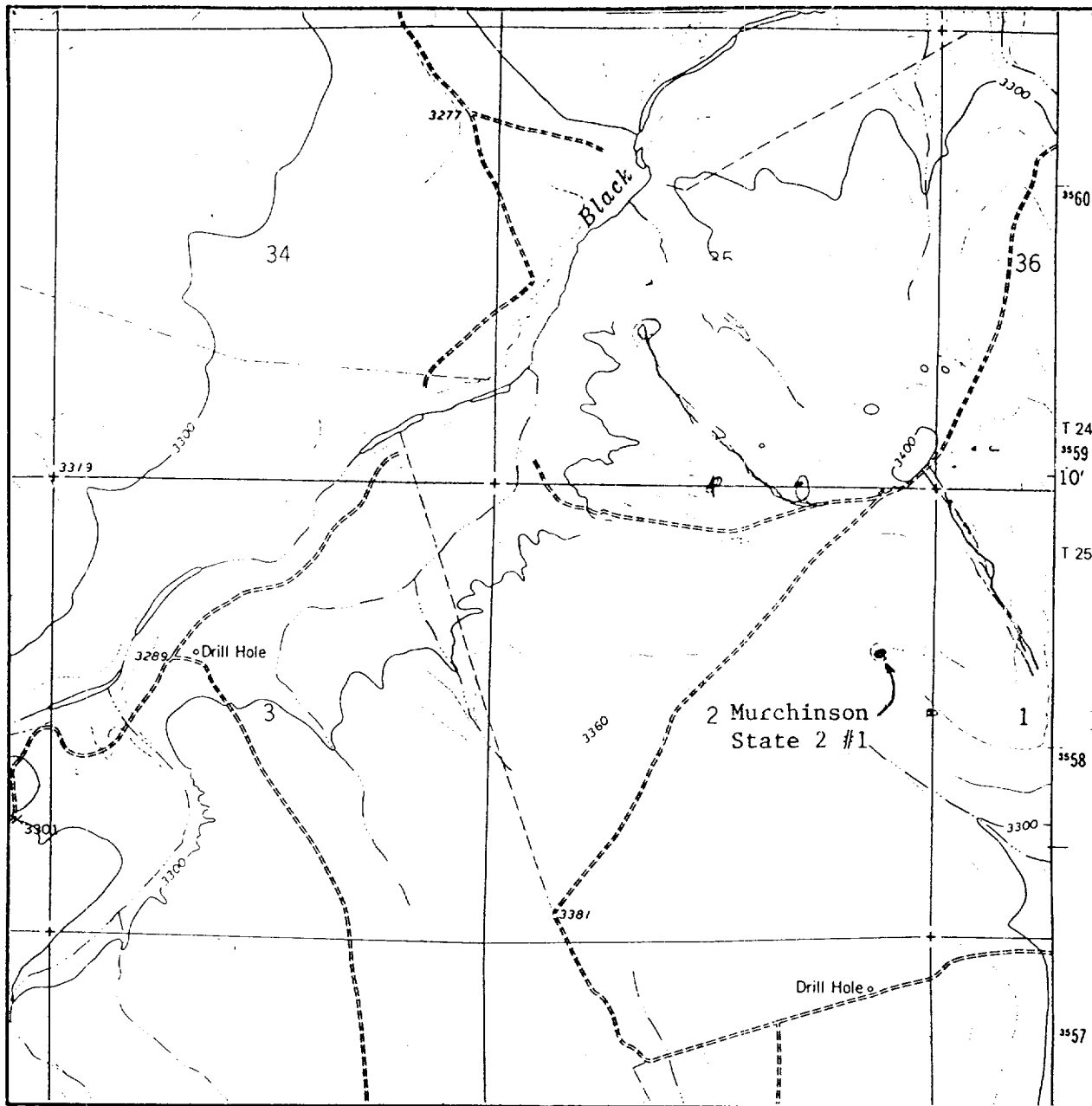
ELEVATION 3343

OPERATOR Dalen Resources

LEASE Murchinson State 2 #1

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117**

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL 20'

SEC. 2 TWP. 25-8 RGE. 26-E

SURVEY N.M.P.M.

COUNTY Eddy STATE N.M.

DESCRIPTION 1980' FNL. & 660' FEL.

ELEVATION 3343

OPERATOR Dalen Resources

LEASE Murchinson State 2 #1

U.S.G.S. TOPOGRAPHIC MAP
Black River Village, N.M.

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719
DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

RECEIVED

Form C-109
Revised 4-1-91

Instructions on
Reverse Side

OIL CON. DIV.

APPLICATION FOR DISCOVERY ALLOWABLE AND CREATION OF A NEW POOL

NOTE: This form is to be filed and attachments made in accordance with the provisions of Rule 509.
If discovery is claimed for more than one zone, separate forms must be filed for each.

Operator DALEN Resources Oil & Gas Co.		Address 6688 N. Central Expwy., Suite 1000, Dallas, TX	
Lease Name Murchison 2 State		Well No. 1	County Eddy
Well Location Unit Letter <u>H</u> : <u>1980</u> Feet from The <u>north</u> Line and <u>660</u> Feet From the <u>east</u> Line of Section <u>2</u> , Township <u>25N</u> , Range <u>26E</u> , NMPM			
Suggested Pool Names (List in order of preference) 1. <u>White City</u> 2. <u>Black River, South</u> 3. <u>P. J. South</u>			
Name of Producing Formation Brushy Canyon		Perforations 5133' - 5166'	Depth of Top Perf from GL -1790'
Was "Affidavit of Discovery" Previously Filed For This Well in this Pool? No		If yes, Give Date of Filing	Date Well was Spudded 01/20/95
Total Depth 8631'		Plugged Back Depth 5270'	Depth Casing Shoe 5520'
Tubing Depth 5074'		Elevation (Gr., DF, RKB, RT, etc.) 3343' GR	
Oil Well Potential (Test to be taken only after all load oil has been recovered) _____ Bbls, Oil Per Day Based On _____ Bbls In _____ Hours; _____ Bbls Water Per Day Based On _____ Bbls In _____ Hours; Gas Production During Test: _____ MCF; Gas-Oil Ratio _____ Method Of Producing _____ Choke Size _____			

NEAREST PRODUCTION TO THIS DISCOVERY (Includes past and present oil or gas producing areas and zones whether this discovery is based on horizontal or vertical separation):

Pool Name White City	Name of Producing Formation Pennsylvanian	Top of Pay 11,049'	Bottom of Pay 11,453'	Currently Producing? Yes
Horizontal Distance and Direction from Subject Discovery Well to the Nearest well in this Pool Approx. 1000' WNW		Vertical Distance from Subject Discovery Zone to Producing Interval this Pool 5883'		

NEAREST COMPARABLE PRODUCTION (Includes past and present oil or gas production for this pay or formation only):

Pool Name P. J.	Top of Pay 4823'	Bottom of Pay 4827'	Currently Producing No
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Comparable Pool 1.33 miles NNW			

Is "County Deep" Discovery Allowable Requested for Subject Discovery Well? No	If Yes, Give Name, Location, and Depth of Next Deeper Oil Production in this County
--	---

Is the Subject Well Multiple Completion? No	Is Discovery Allowable Requested for Other Zone(s)?	If Yes, Name all Such Formations
--	---	----------------------------------

(Continue on reverse side)

LIST ALL OPERATORS OWNING LEASES WITHIN ONE MILE OF THIS WELL (Attach additional sheet if necessary)

NAME	ADDRESS

Attach evidence that all of the above operators have been furnished a copy of this application. Any of said operators who intends to object to the designation of the subject well as a discovery well, eligible to receive a discovery allowable, must notify the appropriate District Office and the Santa Fe Office of the Division of such intent in writing within ten days after receiving a copy of this application..

Remarks:

OPERATOR CERTIFICATION

I hereby certify that all rules and regulations of the New Mexico Oil Conservation Division have been complied with, with respect to the subject well, and that it is my opinion that a bona fide discovery of a hitherto unknown common source of oil supply has been made in said well. I further certify that the discovery allowable for the subject well, if authorized, will be produced from the subject acres in this well only. Further, that the information given herein and attached hereto is true and complete to the best of my knowledge and belief.

Signature

Cindy R. Keister

Printed Name

Supvr. Regulatory Compliance

Title

05/01/95

Date

(214) 750-3800

Telephone No.

INSTRUCTIONS: File two copies of Form C-109 with attachments with appropriate district office and one copy with attachments with the Santa Fe Office.

Attachments: (See Rule 509 for details)

- 1) Map showing all wells within a two-mile radius of discovery well.
- 2) Electrical log with tops and bottoms of producing formations marked.
- 3) A sub-surface structure map if application is based on horizontal separation.
- 4) Geological cross-section.
- 5) Summary of reservoir data.
- 6) Evidence that all operators (listed above) owning leases within one mile of this well have been furnished a copy of this application.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

RECEIVED

Form C-109
Revised 4-1-91

Instructions on
Reverse Side

APPLICATION FOR DISCOVERY ALLOWABLE AND CREATION OF A NEW POOL

NOTE: This form is to be filed and attachments made in accordance with the provisions of Rule 509.
If discovery is claimed for more than one zone, separate forms must be filed for each.

Operator DALEN Resources Oil & Gas Co.		Address 6688 N. Central Expwy., Suite 1000, Dallas, TX	
Lease Name Murchison 2 State		Well No. 1	County Eddy
Well Location Unit Letter <u>H</u> : <u>1980</u> Feet from The <u>north</u> Line and <u>660</u> Feet From the <u>east</u> Line of Section <u>2</u> , Township <u>25E</u> , Range <u>26E</u> , NMPM			
Suggested Pool Names (List in order of preference) 1. <u>White City</u> 2. <u>Black River, South</u> 3. <u>P. J. South</u>			
Name of Producing Formation Brushy Canyon		Perforations 5133' - 5166'	Depth of Top Perf from GL -1790'
Was "Affidavit of Discovery" Previously Filed For This Well in this Pool? No		If yes, Give Date of Filing	Date Well was Spudded 01/20/95
Date Compl. Ready to Prod. 03/05/95			
Total Depth 8631'	Plugged Back Depth 5270'	Depth Casing Shoe 5520'	Tubing Depth 5074'
Elevation (Gr., DF, RKB, RT, etc.) 3343' GR			
Oil Well Potential (Test to be taken only after all load oil has been recovered) _____ Bbls, Oil Per Day Based On _____ Bbls In _____ Hours; _____ Bbls Water Per Day Based On _____ Bbls In _____ Hours; Gas Production During Test: _____ MCF; Gas-Oil Ratio _____ Method Of Producing _____ Choke Size _____			

NEAREST PRODUCTION TO THIS DISCOVERY (Includes past and present oil or gas producing areas and zones whether this discovery is based on horizontal or vertical separation):

Pool Name White City	Name of Producing Formation Pennsylvanian	Top of Pay 11,049'	Bottom of Pay 11,453'	Currently Producing? Yes
Horizontal Distance and Direction from Subject Discovery Well to the Nearest well in this Pool Approx. 1000' WNW		Vertical Distance from Subject Discovery Zone to Producing Interval this Pool 5883'		

NEAREST COMPARABLE PRODUCTION (Includes past and present oil or gas production for this pay or formation only):

Pool Name P. J.	Top of Pay 4823'	Bottom of Pay 4827'	Currently Producing No
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Comparable Pool 1.33 miles NNW			

Is "County Deep" Discovery Allowable Requested for Subject Discovery Well? No	If Yes, Give Name, Location, and Depth of Next Deepest Oil Production in this County
--	--

Is the Subject Well Multiple Completion? No	Is Discovery Allowable Requested for Other Zone(s)?	If Yes, Name all Such Formations
--	---	----------------------------------

(Continue on reverse side)

LIST ALL OPERATORS OWNING LEASES WITHIN ONE MILE OF THIS WELL (Attach additional sheet if necessary)

NAME	ADDRESS

Attach evidence that all of the above operators have been furnished a copy of this application. Any of said operators who intends to object to the designation of the subject well as a discovery well, eligible to receive a discovery allowable, must notify the appropriate District Office and the Santa Fe Office of the Division of such intent in writing within ten days after receiving a copy of this application..

Remarks:

OPERATOR CERTIFICATION

I hereby certify that all rules and regulations of the New Mexico Oil Conservation Division have been complied with, with respect to the subject well, and that it is my opinion that a bona fide discovery of a hitherto unknown common source of oil supply has been made in said well. I further certify that the discovery allowable for the subject well, if authorized, will be produced from the subject zone in this well only. Further, that the information given herein and attached hereto is true and complete to the best of my knowledge and belief.

Signature

Supvr. Regulatory Compliance

05/01/95

Title

Date

Cindy R. Keister

(214) 750-3800

Printed Name

Telephone No.

INSTRUCTIONS: File two copies of Form C-109 with attachments with appropriate district office and one copy with attachments with the Santa Fe Office.

Attachments: (See Rule 509 for details)

- 1) Map showing all wells within a two-mile radius of discovery well.
- 2) Electrical log with tops and bottoms of producing formations marked.
- 3) A sub-surface structure map if application is based on horizontal separation.
- 4) Geological cross-section.
- 5) Summary of reservoir data.
- 6) Evidence that all operators (listed above) owning leases within one mile of this well have been furnished a copy of this application.