

Susp: 11/24/2004

PMESD-430960242



FOREST OIL CORPORATION

1600 Broadway • Suite 2200

Denver, Colorado 80202 (303) 842-1400

November 2, 2004

(FEDERAL EXPRESS-STANDARD DELIVERY)

Michael Stogner
State of New Mexico Oil Conservation Division
Energy Minerals and Natural Resources
District IV
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RECEIVED

NOV 04 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

RE: Application for Permit to Drill – **State Lease**
Forest Oil Corporation
Crossroads Siluro-Devonian Unit #107
2,025' FSL 2,485' FEL (NW/4 SE/4)
Sec. 34 T9S R36E
Lea County, New Mexico
State Lease: NM-96060; U.D Sawyer

Dear Mr. Stogner:

Enclosed please find a copy of the Application for Permit to Drill (APD), which was electronically submitted, for the above captioned well.

As this is an unorthodox location, also enclosed is a plat showing the offset operators and an inter-office memorandum by Victor Smith, a geologist with Forest Oil Corp, giving an explanation as to why an exception is needed. As required under Rule 1207.A(2), notice has been given to all offset owners. Forest Oil Corp is requesting administrative approval of this Application.

The proposed location is 2,025' FSL 2,485' FEL (NW/4 SE/4) of Sec. 34. The well site was surveyed and staked on October 7, 2004 by Gary Eidson, of John West Surveying Company, on a site that was geologically and topographically acceptable.

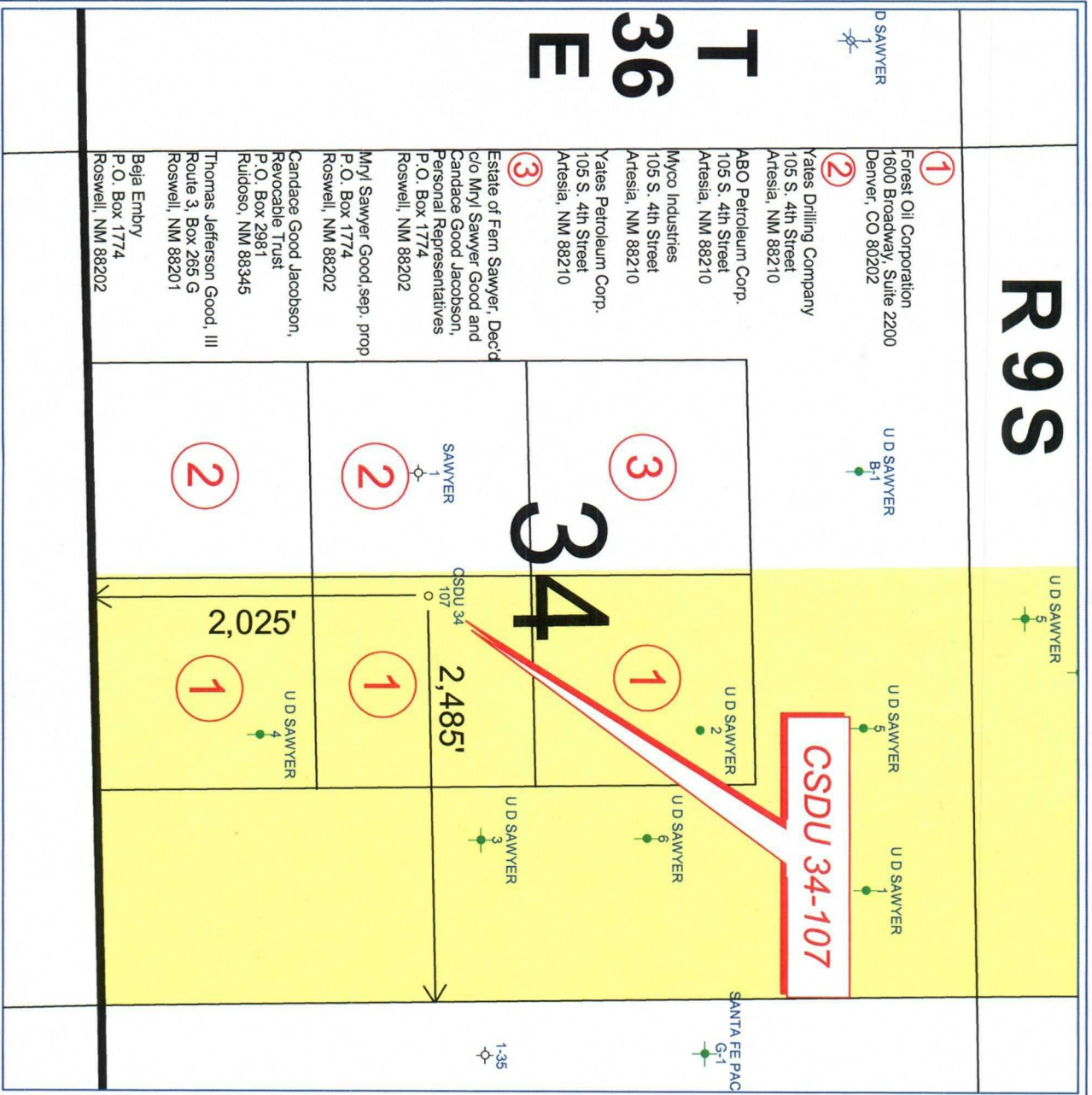
Your early attention to this application is greatly appreciated. Thank you for your concern.

Very truly yours,

Anna Walls
Land Tech

avwalls@forestoil.com
(303) 812-1554

R 9 S



The above is true and correct to the best of my knowledge.

Anna Wells
Anna Wells



CROSSROADS FIELD

Lea County, New Mexico

CSDU 34-107

Ratio Scale = 1 : 12,000



POSTED WELL DATA

Well Name
Well Number

- Well Symbols
- Location Only
- Oil Well
- Dry Hole
- Abandoned Water Injector
- Abandoned Oil Well
- Suspended Oil Well

November 2, 2004

Service List
Crossroads Siluro-Devonian Unit 34-107
Forest Oil Corporation

Tract 1- Sec. 34: E/2, containing 320 acres, more or less
Owners

Forest Oil Corp.
1600 Broadway, Suite 2200
Denver, CO 80202

Tract 2- Sec. 34: SW/4, containing 160 acres, more or less
Leasehold Ownership
Record Title and
Operating Rights
Owners

Yates Drilling Company
105 S. 4th Street
Artesia, NM 88210

ABO Petroleum Corp.
105 S. 4th Street
Artesia, NM 88210

Myco Industries Inc.
105 S. 4th Street
Artesia, NM 88210

Yates Petroleum Corp.
105 S. 4th Street
Artesia, NM 88210

Tract 3- Sec. 34: NW/4, containing 160 acres, more or less
Owners

Estate of Fern Sawyer, Dec'd.
c/o Myrl Sawyer Good and
Candace Good Jacobson,
Personal Representatives
P. O. Box 1774
Roswell, NM 88202

Myrl Sawyer Good, sep. prop.
P.O. Box 1774
Roswell, NM 88202

Candace Good Jacobson Revocable
Trust
P. O. Box 2981
Ruidoso, NM 88345

Thomas Jefferson Good, III
Route 3, Box 265 G
Roswell, NM 88201

Beja Embry
P. O. Box 1774
Roswell, NM 88202

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

Permit 1976

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address FOREST OIL CORP 1600 Broadway Denver, CO 80202		OGRID Number 8041
		API Number
Property Code 33552	Property Name CROSSROADS SILURO DEVONIAN UNIT	Well No. 107

Surface Location

UL or Lot J	Section 34	Township 09S	Range 36E	Lot Idn	Feet From 2025	N/S Line S	Feet From 2485	E/W Line E	County Lea
----------------	---------------	-----------------	--------------	---------	-------------------	---------------	-------------------	---------------	---------------

Proposed Pools

CROSSROADS;SILURO DEVONIAN 13490

Work Type New Well	Well Type Oil	Cable/Rotary	Lease Type State	Ground Level Elevation 4024
Multiple N	Proposed Depth 12500	Formation Silurian	Contractor	Spud Date 01/15/2005

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	400	340	0
Int1	12.25	8.625	24	4500	1075	0
Prod	7.875	5.5	17	12500	875	7500

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	
Annular	5000	5000	

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

Electronically Signed By:

Title:

Date:

Phone:

OIL CONSERVATION DIVISION

Electronically Approved By:

Title:

Approval Date:

Expiration Date:

 Conditions of Approval:
 No Conditions

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
Permit 1976

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Name CROSSROADS;SILURO DEVONIAN	Pool Code 13490
Property Code 33552	Property Name CROSSROADS SILURO DEVONIAN UNIT	Well No. 107
OGRID No. 8041	Operator Name FOREST OIL CORP	Elevation 4024

Surface And Bottom Hole Location

UL or Lot J	Section 34	Township 09S	Range 36E	Lot Idn	Feet From 2025	N/S Line S	Feet From 2485	E/W Line E	County Lea
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

OPERATOR CERTIFICATION

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

Electronically Signed By:

Title:

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.

Surveyed By: Gary Eidson

Date of Survey: 10/07/2004

Certificate Number: 12641

*Standard
640-acre Section*

DISTRICT I
1625 N. FRENCH DR., ROBBS, NM 86240

State of New Mexico
Energy, Minerals and Natural Resources Department

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised JUNE 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code	Pool Name
Property Code	Property Name CSDU 34		Well Number 107
OGRID No.	Operator Name FOREST OIL CORPORATION		Elevation 4024'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	34	9-S	36-E		2025	SOUTH	2485	EAST	LEA

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.				

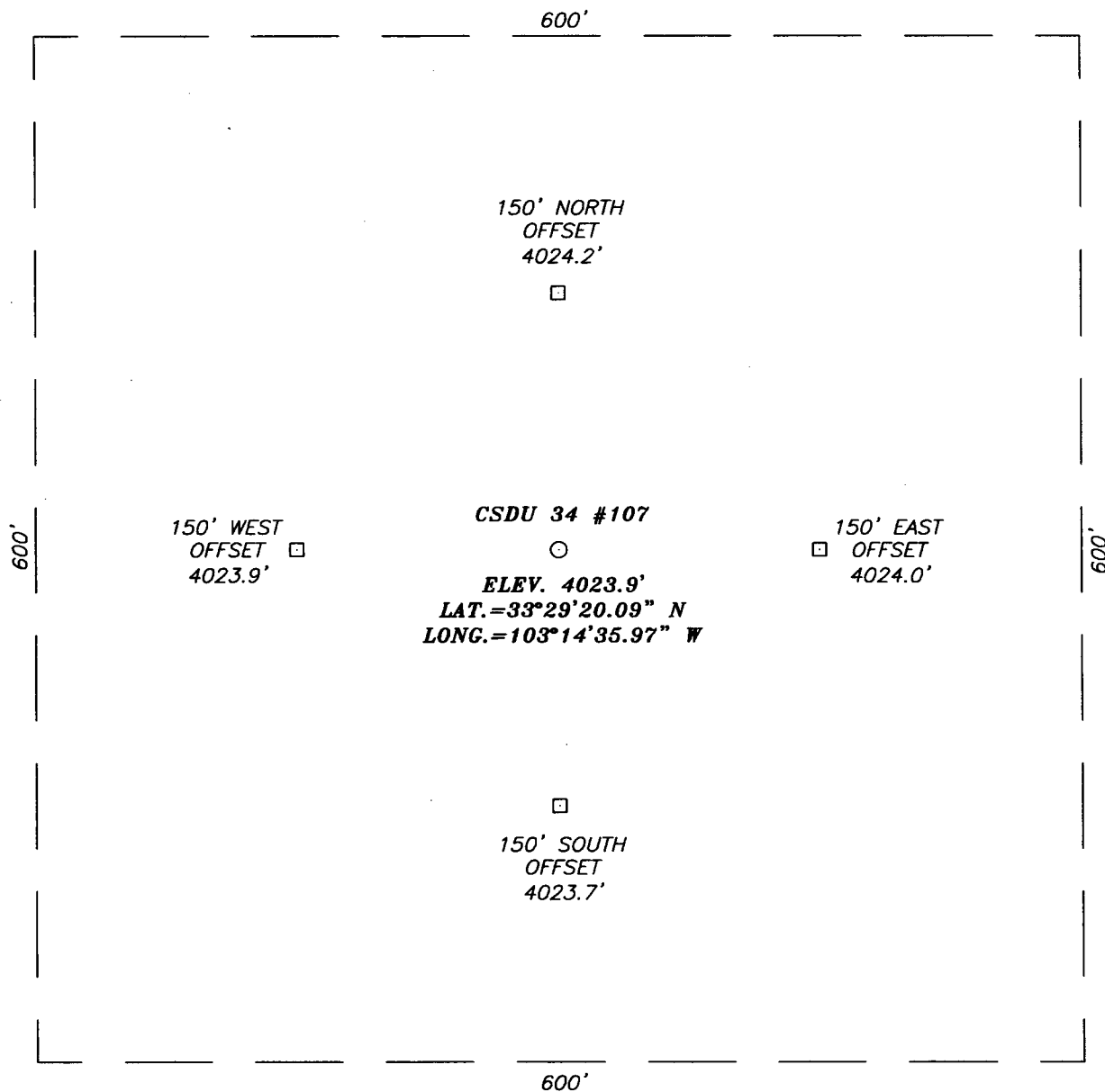
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <u>Anna Walls</u> Signature <u>Anna Walls</u> Printed Name <u>Land Tech</u> Title <u>10/29/04</u> 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. OCOTBER 7, 2004 Date Surveyed Signature & Seal of Professional Surveyor <u>GARY E. EDSON</u> 10/12/04 04.11.1259 Certificate No. GARY EDSON 12641	

SECTION 34, TOWNSHIP 9 SOUTH, RANGE 36 EAST, N.M.P.M.,

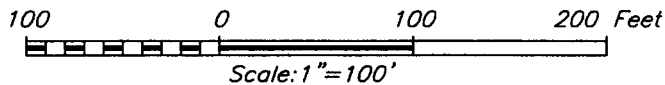
LEA COUNTY,

NEW MEXICO



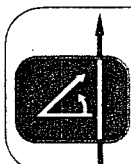
DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF STATE HWY. #206 & STATE HWY. #508 IN CROSSROADS GO EAST ON STATE HWY. #508 APPROX. 6.0 MILES. TURN RIGHT AND GO SOUTH ON SAWYER TANK RD. APPROX. 0.6 MILES. TURN RIGHT AND GO WEST ON LEASE ROAD APPROX. 0.3 MILES. TURN LEFT AND GO SOUTH APPROX. 340'. TURN RIGHT AND GO WEST APPROX. 0.2 MILES TO THIS LOCATION.



FOREST OIL CORPORATION

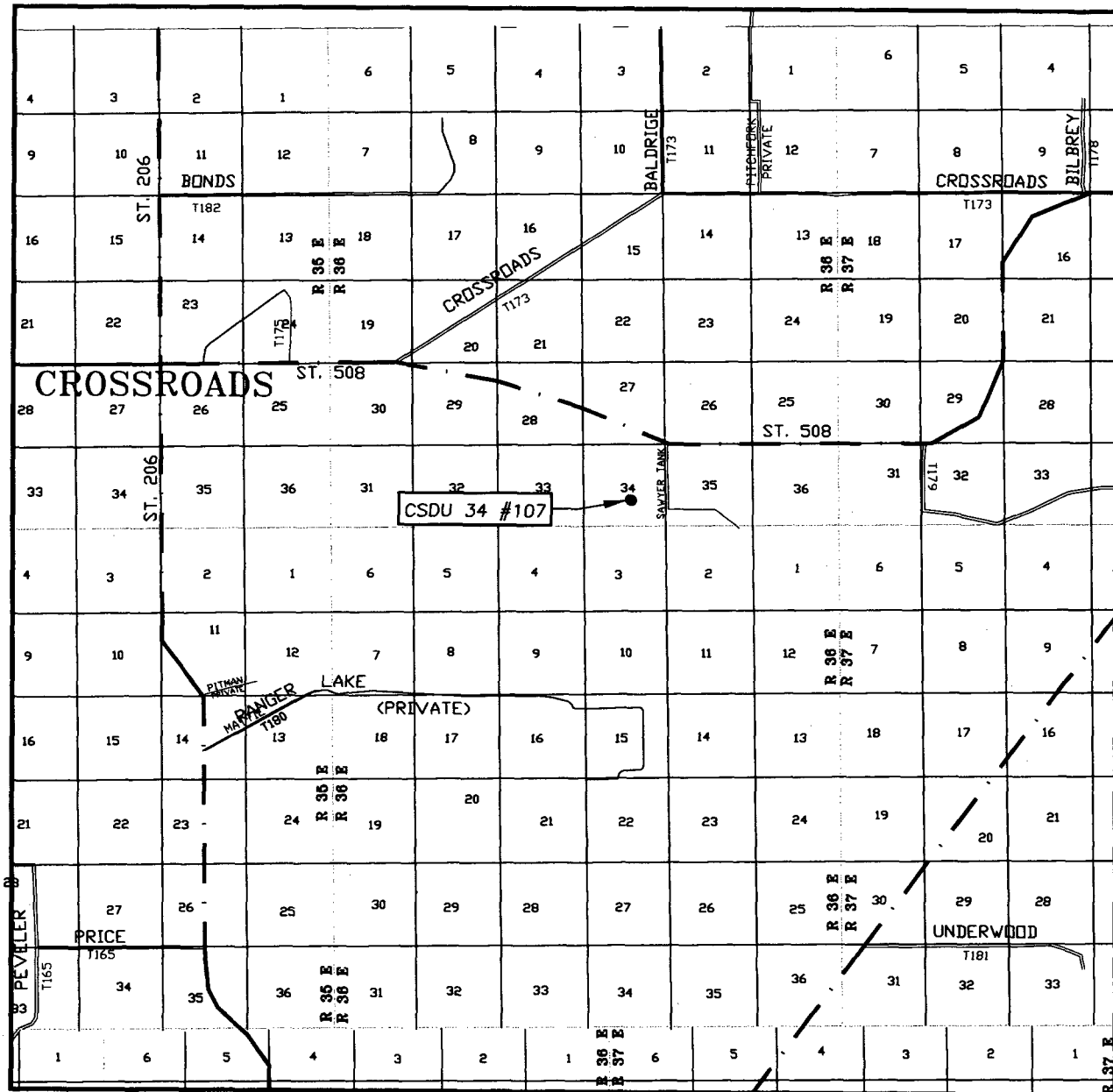
CSDU 34 #107 WELL
LOCATED 2025 FEET FROM THE SOUTH LINE
AND 2485 FEET FROM THE EAST LINE OF SECTION 34,
TOWNSHIP 9 SOUTH, RANGE 36 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(505) 393-3117

Survey Date: 10/7/04	Sheet 1 of 1 Sheets
W.O. Number: 04.11.1259	Dr By: LA
Date: 10/11/04	Rev 1: N/A
Disk: CD#3	04111259
Scale: 1"=100'	

VICINITY MAP

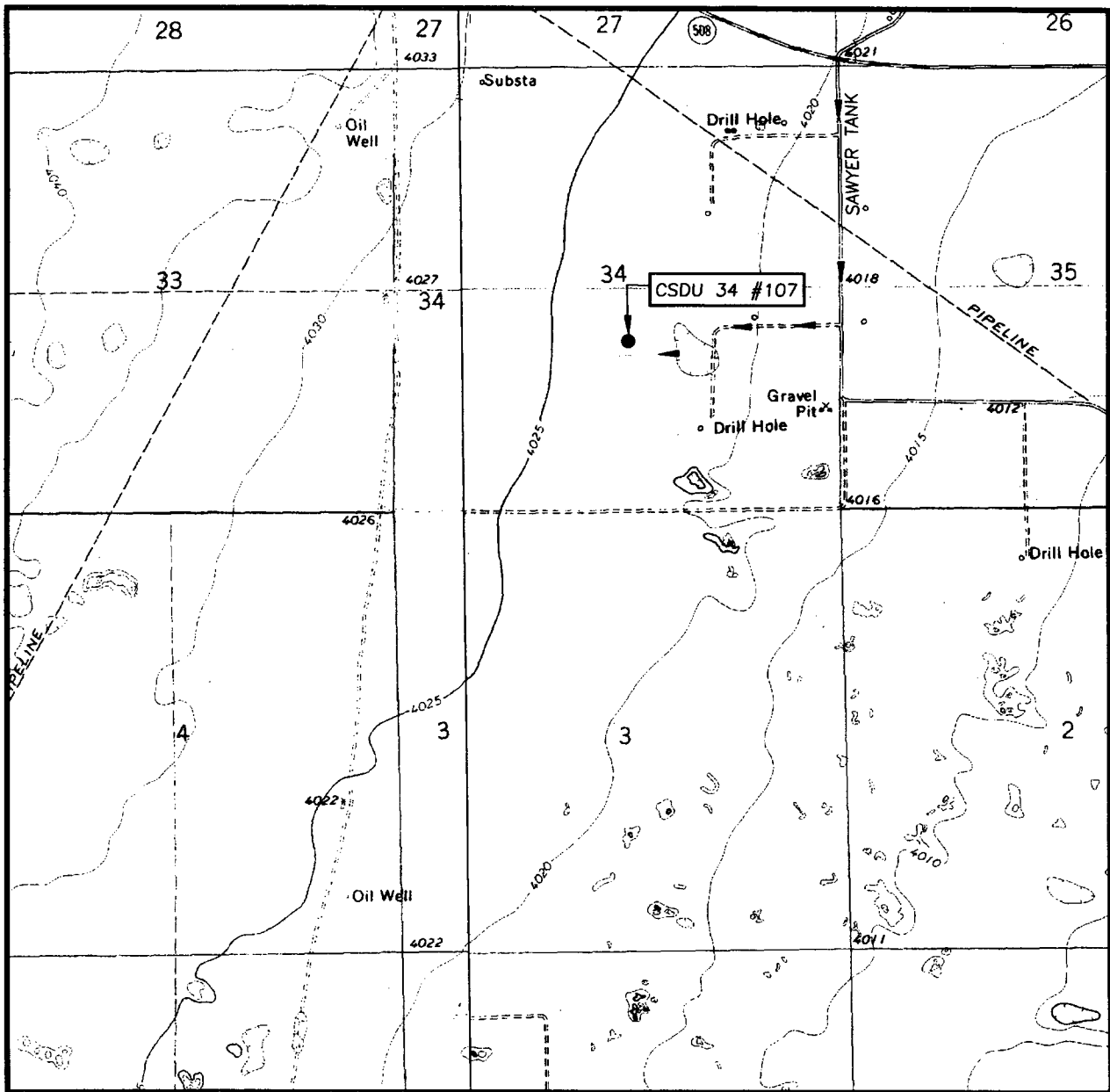


SCALE: 1" = 2 MILES

SEC. 34 TWP. 9-S RGE. 36-E
 SURVEY N.M.P.M.
 COUNTY LEA
 DESCRIPTION 2025' FSL & 2485' FEL
 ELEVATION 4024'
 OPERATOR FOREST OIL CORPORATION
 LEASE CSDU

PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:

RANGER LAKE, N.M.

WALKING CANE RANCH, N.M. - 5'

SEC. 34 TWP. 9-S RGE. 36-E

SURVEY N.M.P.M.

COUNTY LEA

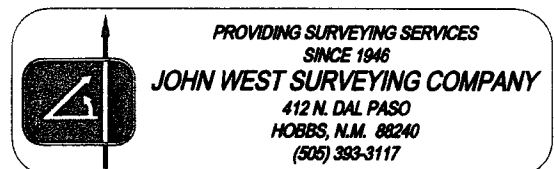
DESCRIPTION 2025' FSL & 2485' FEL

ELEVATION 4024'

OPERATOR FOREST OIL CORPORATION

LEASE CSDU

U.S.G.S. TOPOGRAPHIC MAP
RANGER LAKE, WALKING CANE RANCH, N.M.



EXPLANATION: CROSSROADS EXCEPTION LOCATION

The Crossroads Siluro-Devonian Unit (CSDU) 34 #107 is located 2,025' FSL, 2,485' FEL, of Section 34-T9S-R36E, Lea County, New Mexico. This well will require a location exception permit.

It is necessary to drill the CSDU 34 #107 at this location due to geological circumstances. The production at Crossroads Siluro-Devonian Field is controlled primarily by structural position. Subsurface geological mapping indicates that an undrained structural closure, isolated from the remainder of the field, exists at the proposed location. A standard location would leave undrained oil trapped in the structure when water encroaches, and waste of this oil would result. In addition, the well must be located sufficiently west of other productive wells in the field to be across the mapped "saddle" and isolated from earlier drainage to result in a productive well.

Victor Smith
Geologist
Forest Oil Corp.