

213540821

NSP

5/29/02

**BRECK OPERATING CORP.**

P.O. BOX 911  
BRECKENRIDGE, TEXAS 76424-0911  
254-559-3355

MAY - 9 2002

May 7, 2002

New Mexico Oil Conservation Division  
P.O. Box 6429  
Santa Fe, New Mexico 87504

ATTN: Mike Stogner

(30-025-35599)

Breck Operating Corp. is requesting administrative approval of a non-standard proration unit of 160 acres for the Meyers 33 Federal #1, a Jalmat Yates gas well we recently completed in Section 33 T22S R36E of Lea County, NM. The well has had a sustained producing rate of 40 mcfpd.

Attached for your information are a survey plat showing the location of the well as well as the requested proration unit, a current lease map showing the location of the well in respect to other offset operators and a listing of the operators that are adjacent to the subject proration unit.

By a copy of this letter, we are notifying the offset operators of our request for the administrative approval of the non-standard proration unit. If you have any objections, please notify Mike Stogner with 20 days of the receipt of this letter.

Sincerely,

*Donald R Craig*

Donald R. Craig P.E.  
District Engineer  
dcraig@breckop.com



DISTRICT I

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

DISTRICT II

P.O. Drawer 88, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number		Pool Code	Pool Name Jalmat	
Property Code	Property Name MEYER "33" FEDERAL.		Well Number 1	
OGRID No.	Operator Name BRECK OPERATING CORP		Elevation 3496'	

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	22-S	36-E		1100	SOUTH	660	EAST	LEA

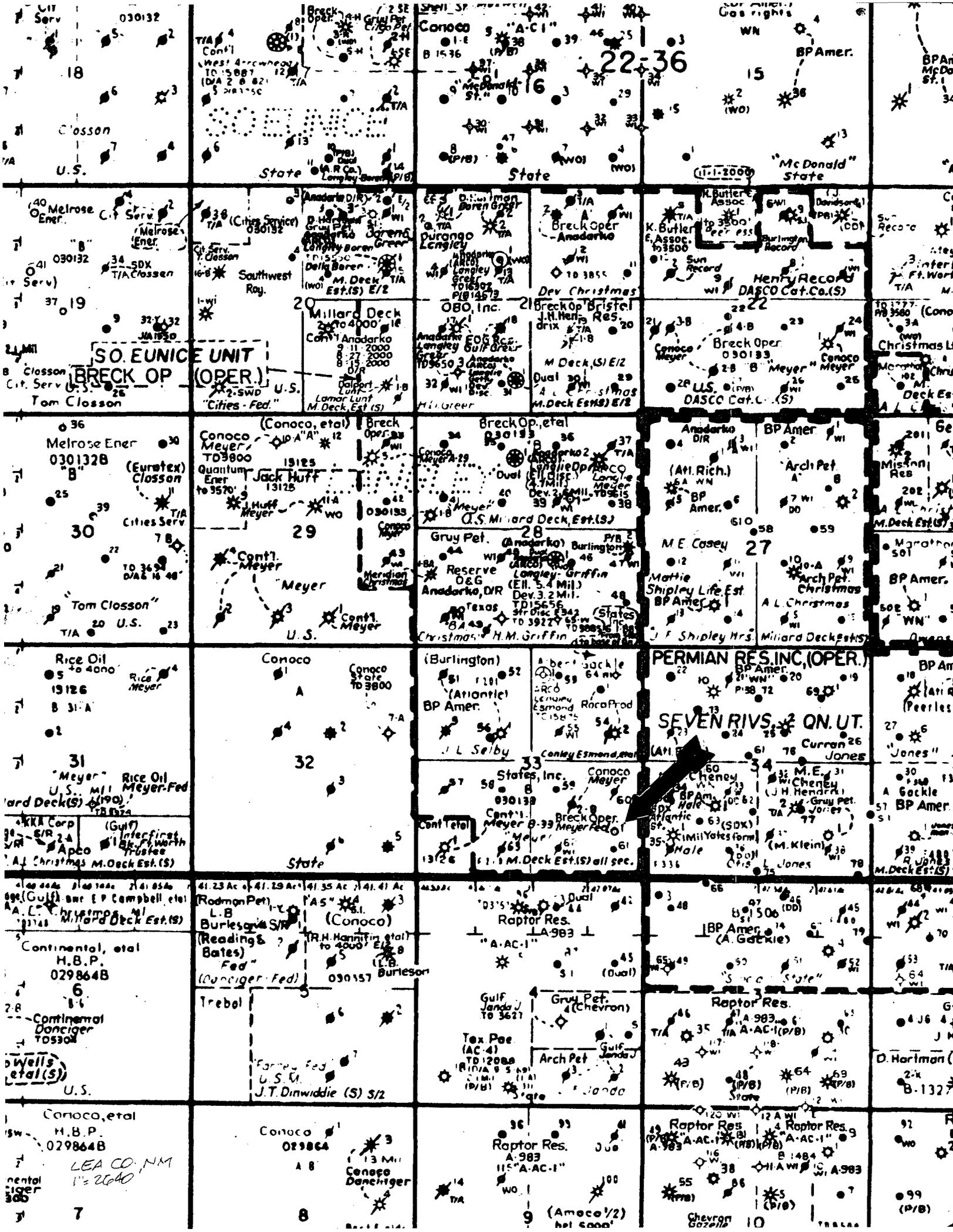
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 160	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

<p>LC-030133B</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p style="text-align: center;"><u>George R. Smith</u> Signature</p> <p>George R. Smith, agent for Printed Name</p> <p>Breck Operating Corp. Title</p> <p>April 10, 2001 Date</p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p style="text-align: center;">MARCH 21, 2001</p> <p>Date Surveyed: _____ AWB</p> <p>Signature &amp; Seal of Professional Surveyor <u>Ronald J. Eidson</u> 4/02/01</p> <p style="text-align: center;">Q1-11-0365</p>
	<p>Certificate No. RONALD J. EIDSON 3239 CARY EIDSON 12641</p>



030132  
18  
Closson  
U.S.

State  
TIA  
Con'1  
West Archway  
1015087  
IDA 2 & B2  
5 DIR 150

22-36  
State  
WVO  
WVO

"McDonald" State  
(11-2000)

Melrose Ener.  
030132  
34 SDX  
TIA Closson  
37 19  
SO. EUNICE UNIT  
BRECK OP (OPER.)  
U.S.  
Tom Closson

Anadarko D/R  
20  
Millard Deck  
24 to 4000'  
Con'1 Anadarko  
9-11-2000  
8-27-2000  
8-11-2000  
O/R  
Lamar Lunt  
M. Deck, Est (S)

Breck Op, etal  
030133  
Dual  
U.S. Millard Deck, Est. (S)

Breck Op  
Anadarko  
20  
Dev Christmas  
J.N. Henz Res.  
20  
M Deck, (S) E/2  
Dual 30'  
A L Deck Est (S) E/2

Melrose Ener  
030132B  
"B"  
39  
30  
Tom Closson  
TIA U.S.

(Conoco, etal) Breck  
Op, etal  
19125  
Jack Huff  
13125  
Meyer  
U.S.

Breck Op, etal  
030133  
Dual  
U.S. Millard Deck, Est. (S)

Anadarko D/R  
BP Amer.  
Archi Pet  
M.E. Casey  
27  
Shiplay Life Est  
BP Amer.  
J.F. Shiplay Mrs. Millard Deck Est (S)

Rice Oil  
5 to 4000'  
19126  
B 31-A  
31  
"Meyer" Rice Oil  
U.S. Mill Meyer-Fed  
ard Deck (S) (190)  
TR 1924

Conoco  
A  
32  
State

(Burlington)  
BP Amer.  
L Selby  
33  
States, Inc.  
Conoco Meyer  
030133  
Cont'l Meyer  
0-33 Meyer Fed  
13126  
M. Deck Est. (S) all sec.

PERMIAN RES. INC. (OPER.)  
SEVEN RIVS. ON UT.  
Curran Jones  
26  
BP Amer.  
A Gackle  
BP Amer.

Continental, etal  
H.B.P.  
029864B  
6  
Continental  
Danciger  
TOS304  
Dwells  
etal (S)  
U.S.

Burleson  
Reading & Bates  
"Fed"  
(Danciger Fed)  
030157  
Burleson  
Trebol  
Farnley Fed  
U.S. G.  
J.T. Dinwiddie (S) 5/2

Raptor Res.  
LA-983  
"A-AC-1"  
Gulf Janda  
TOS 3627  
Gruy Pet.  
(Chevron)  
Arch Pet.  
Janda

BP Amer.  
(A. Gackle)  
Raptor Res.  
A-983  
"A-AC-1" (P/B)  
State  
D. Hartman  
(S) B-1327

Canoco, etal  
H.B.P.  
029864B  
LEA CO. NM  
11-2000  
7

Conoco  
029864  
A B  
13 Mil  
Conoco  
Danciger

Raptor Res.  
A-983  
115 "A-AC-1"  
WO. 1  
(Amoco 1/2)  
not same

Raptor Res.  
A-983  
"A-AC-1" (P/B)  
B 1484  
"A-AC-1"  
Chevron  
029864

Meyer 33 Federal #1  
Offset Operators

BP - Amoco Production Co  
P.O. Box 3092  
Houston, Texas 77253

Conoco Inc  
10 Desta Drive  
Midland Texas 79705

SDX Resources  
P.O. Box 5061  
Midland, Texas 79704

Gruy Petroleum Management Co.  
P.O. Box 140907  
Irving, Texas 75014

Roca Production Inc.  
P.O. Box 10139  
Midland, Texas 79702

Raptor Resources Inc  
901 Rio Grande Street  
Austin, Texas 78701

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

DISTRICT II  
Lawrence DD, Artesa, NM 88211-0719

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

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

AMENDED REPORT

API Number	Pool Code	Pool Name <b>Jalmat</b>
Property Code	Property Name <b>MEYER "33" FEDERAL.</b>	Well Number <b>1</b>
OGRID No.	Operator Name <b>BRECK OPERATING CORP</b>	Elevation <b>3496'</b>

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	22-S	36-E		1100	SOUTH	660	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 <b>160</b>	Joint or Infill	Consolidation Code	Order No.
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**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**

<p>ARCO S.L. 50/37 IS Gas</p>	<p>ARCO H E Esmond A#1 oil</p>	<p>ARCO H E Esmond #2 Gas 160 NE/4</p>	<p>LC-030133B</p>	<p>3493.5' 3495.1' 3491.0' 3496.9' 1100' 660'</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>George R. Smith</i> Signature George R. Smith, agent for Printed Name Breck Operating Corp. Title Date April 10, 2001</p>
					<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>MARCH 21, 2001</p> <p>Date Surveyed Signature &amp; Seal of Professional Surveyor <i>Ronald J. Edson</i> 4/02/01 01-11-0365</p> <p>Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641</p>

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. LC-030133B
2. Name of Operator BRECK OPERATING CORP.		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 911, BRECKENRIDGE, TX 76424	3b. Phone No. (include area code) (254) 559-3355	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  1100 FSL, 660 FEL, Sec 33, T22S, R36E		8. Well Name and No. Meyer 33 Federal No. 1
		9. API Well No. 30-025-35599
		10. Field and Pool, or Exploratory Area Jalmat
		11. County or Parish, State Lea, NM

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Text	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>Perforate</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion of or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

11/12/2001 Rig up  
11/13/2001 perforate selectively from 3238-3371'. Acidize perforations with 1400 gals acid. Fracture perforations with 40,000 gals gelled water, 112,000# 16/30 sand.



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) DONALD R. CRAIG	Title DISTRICT ENGINEER
Signature <i>Donald R. Craig</i>	Date April 15, 2002

**ACCEPTED FOR REGISTRATION FOR FEDERAL OR STATE OFFICE USE**

Approved by (ORIG. SGD.) DAVID R. GLASS APR 22 2002	Title	Date
Conditions of approval, if any, are attached. Approval notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 18 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

New Mexico Oil Conservation Division, District I

Form 3160-5  
(August 1999)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

1625 N. French Drive  
Hobbs, NM 88240

FORM APPROVED  
OMB No. 1004-0135

Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. LC-030133B
2. Name of Operator BRECK OPERATING CORP.		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 911, BRECKENRIDGE, TX 76424	3b. Phone No. (include area code) (254) 559-3355	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  1100 FSL, 660 FEL, Sec 33, T22S, R36E		8. Well Name and No. Meyer 33 Federal No. 1
		9. API Well No. 30-025-35599
		10. Field and Pool, or Exploratory Area Jalmat
		11. County or Parish, State Lea, NM

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Text	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Run Casing</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

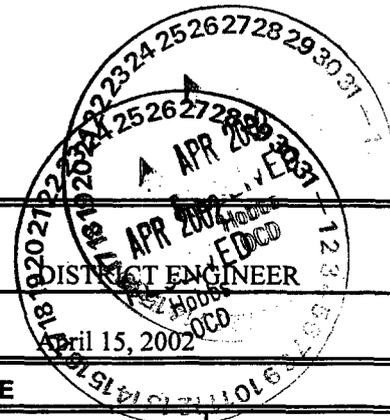
13. Describe Proposed or completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion of or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

10/21/2001 Drill to 3600', 8-5/8" hole. Ran 3454' 15.5# J-55 5-1/2" casing. Cement with 375 sxs Class C cement. Top of cement @ 1577' by temperature survey. Release rig.

14. I hereby certify that the foregoing is true and correct

Name ((Printed/Typed)) DONALD R. CRAIG Title

Signature *Donald R. Craig* Date



ACCEPTED FOR RECORD THIS SPACE FOR FEDERAL OR STATE OFFICE USE

(ORIG. SGD.) DAVID R. GLASS

Approved by Title Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 18 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**SUNDRY NOTICES AND REPORTS ON WELLS**

*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
**BRECK OPERATING CORP.**

3a. Address  
**P.O. BOX 911, BRECKENRIDGE, TX 76424**

3b. Phone No. (include area code)  
**(254) 559-3355**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1100 FSL, 660 FEL, Sec 33, T22S, R36E**

5. Lease Serial No.  
**LC-030133B**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
**Meyer 33 Federal No. 1**

9. API Well No.  
**30-025-35599**

10. Field and Pool, or Exploratory Area  
**Jalmat**

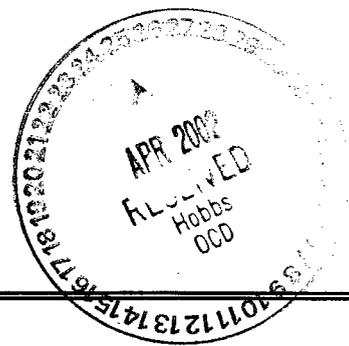
11. County or Parish, State  
**Lea, NM**

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Text	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>SPUD</b>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion of or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

10/13/2001 Spud well 5:00 p.m. Drill to 1394', 12-1/4" hole. Ran 1388' 24# J-55 8-5/8" casing. Cement with 440 sxs FCI Lite & 125 sxs Class C. Circulate 186 sxs to pit.



14. I hereby certify that the foregoing is true and correct

Name ((Printed/Typed)) **DONALD R. CRAIG** Title **DISTRICT ENGINEER**

Signature *Donald R. Craig* Date **April 15, 2002**

**ACCEPTED FOR RECORD SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by **(ORIG. SGD.) DAVID R. GLASS** Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any, are attached. Approved this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office \_\_\_\_\_

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**MEYER '33' #1  
33-T22S-R36E**

**Tops**

**Lithology**

**Anhydrite 1368'**

**0-1368' sandstone, shale, limestone**

**Yates 3198'**

**1368-3198' anhydrite, salt, limestone**

**Seven Rivers 3390'**

**3198-3390' sandstone, shale, dolomite**

**TD 3600'**

**3390-3600' sandstone, dolomite**



Breck Operating Corp.  
Box 911  
Breckenridge, TX. 76424

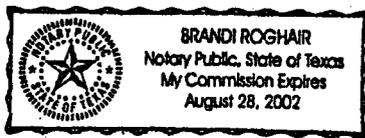
Meyer 33 Federal # 1  
Lea County, NM

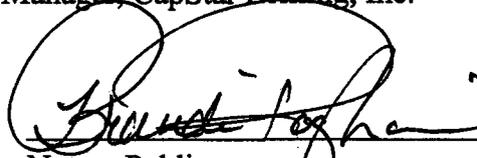
P - 33-225-36e  
1100/5 4 660/e  
30-025-35599

493	4.93	1/4	0.44	2.16	2.16
986	9.86	1	1.75	17.26	17.26
1360	13.60	1	1.75	23.80	23.80
1853	18.53	1 3/4	3.06	56.75	56.75
2353	23.53	1 3/4	3.06	72.06	72.06
2845	28.45	4	7.00	199.15	199.15
2969	29.69	4	7.00	207.83	207.83
3029	30.29	4	7.00	212.03	212.03
3123	31.23	4 1/2	7.88	245.94	245.94
3154	31.54	4 1/2	7.88	248.38	248.38
3254	32.54	3 3/4	6.56	213.54	213.54
3341	33.41	4 1/2	7.88	263.10	263.10
3436	34.36	2 1/4	3.94	135.29	135.29
3600	36.00	2 1/4	3.94	141.75	141.75

  
Michael Roghair - General Manager

The attached instrument was acknowledged before me on the 23 day of October, 2001 by Michael Roghair - General Manager, CapStar Drilling, Inc.



  
Notary Public

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division  
1625 N. French Dr.  
Hobbs, NM 88240

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other INJECTION		5. Lease Serial No. LC-030133B
2. Name of Operator BRECK OPERATING CORP.		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 911, BRECKENRIDGE, TX 76424	3b. Phone No. (include area code) (254) 559-3355	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  1100' FSL & 660' FEL, Sec 33, T22S, R36E		8. Well Name and No. Meyer 33 Federal, Well No. 1
		9. API Well No. 35599 <del>30-025-30896</del>
		10. Field and Pool, or Exploratory Area Jalmat
		11. County or Parish, State Lea, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Text	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

The application for a drilling permit erroneously stated that 3000# working pressure BOP would be required. The maximum anticipated BHP is 1450# requiring only a 2000# system. We are requesting an exception from the 3000# system to a 2000# system be granted.

14. I hereby certify that the foregoing is true and correct  
Name (Printed Typed) DONALD CRAIG Title DISTRICT ENGINEER

Signature *Donald R. Craig* Date October 15, 2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved by (OPIC, SCD) DAVID R. GLASS Title Date

Conditions of approval, if any, shall be stated here. This office does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DAVID R. GLASS  
PETROLEUM ENGINEER

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

0685

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. LC-030133B	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Breck Operating Corp.		7. If Unit or CA Agreement, Name and No.	
3a. Address P.O. Box 911 Breckenridge, TX 76424		8. Lease Name and Well No. Meyer "33" Federal, Well No. 1	
3b. Phone No. (include area code) (254) 559-3355		9. API Well No. 30-025-35599	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 1100' FSL & 660' FEL At proposed prod. zone same		10. Field and Pool, or Exploratory Jalmat; Tab-Yts-7 Burs	
4. Distance in miles and direction from nearest town or post office* 3 road miles SW of Eunice, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 33-T22S-R36E	
5. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'		12. County or Parish Lea	
6. Distance from proposed* location to nearest well, drilling, completed, applied for, on this lease, ft. 440'		13. State NM	
16. No. of Acres in lease 280		17. Spacing Unit dedicated to this well 160 acres	
19. Proposed Depth 3,600'		20. BLM/BIA Bond No. on file NM-2613	
1. Elevations (Show whether DF, KDB, RT, GL, etc.) 3496' GL		22. Approximate date work will start* May 1, 2001	
		23. Estimated duration 3 weeks	

**24. Attachments**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

5. Signature <i>George R. Smith</i>	Name (Printed/Typed) George R. Smith	Date 04/10/01
Title Agent for: Breck Operating Corp.	Name (Printed/Typed) /S/ JOE G. LARA	Date JUN 14 2001
Title <i>Acting</i> FIELD MANAGER	Office BLM-CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

**APPROVAL FOR 1 YEAR**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**Carbon Controlled Water Studies**

Lease Responsibility Statement: Breck Oil Corp. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof.

*GRS.*  
George R. Smith

**APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED**

OPER. OGRID NO. 2799  
PROPERTY NO. 28141  
POOL CODE 79240  
EFF. DATE 6-18-01  
API NO. 30-025-35599

DISTRICT I

P.O. Box 1986, Hobbs, NM 88241-1986

DISTRICT II

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

DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number <b>30-025-35599</b>	Pool Code <b>79240</b>	Pool Name <b>Jalmat, Tan-Yates-7 Rvs.</b>
Property Code <b>28141</b>	Property Name <b>MEYER "33" FEDERAL.</b>	Well Number <b>1</b>
OGRID No. <b>2799</b>	Operator Name <b>BRECK OPERATING CORP</b>	Elevation <b>3496'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	22-S	36-E		1100	SOUTH	660	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 <b>160</b>	Joint or Infill	Consolidation Code	Order No.
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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

<p>LC-030133B</p>	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify the the information contained hereon is true and complete to the best of my knowledge and belief.</i></p> <p align="right"><i>George R. Smith</i> Signature</p> <p align="right">George R. Smith, agent for Printed Name Breck Operating Corp. Title</p> <p align="right">April 10, 2001 Date</p>
	<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p align="right">MARCH 21, 2001</p> <p>Date Surveyed _____ AWB</p> <p>Signature &amp; Seal of Professional Surveyor <i>Ronald J. Edson 4/02/01</i> 01-11-0365</p>
	<p>Certificate No. <b>RONALD J. EDSON 3239</b> <b>GARY EDSON 12641</b></p>

**APPLICATION FOR DRILLING**

BRECK OIL CORP.  
 Meyer "33" Federal, Well No.1  
 1100' FSL & 660' FEL, Sec. 33-T22S-R36E  
 Lea County, New Mexico  
 Lease No.: LC-030133B  
 (Development Well)

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Breck Oil Corp. submits the following items of pertinent information in accordance with BLM requirements:

- The geologic surface formation is recent Permian with quaternary alluvium and other surficial deposits.
- The estimated tops of geologic markers are as follows:

Red Beds	400'
Top of Salt	1472'
Base of Salt	3042'
Yates	3191'
T.D.	3600'

- The estimated depths at which water, oil or gas formations are anticipated to be encountered:

Water: Surface water between 100' - 350'.

Oil: Possible in the Yates below 3200' and the Queen below 3400'.

Gas: Possible in the Yates below 3200'.

- Proposed Casing Program:

HOLE SIZE	CASING SIZE	WEIGHT	GRADE	JOINT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0#	J-55	ST&C	450' 1375'	Circ. 375 sx "C" cement.
7 7/8"	5 1/2"	15.5#	J-55	ST&C	3400'	420 sx of C and additives

**WITNESS**

- Proposed Control Equipment: A 10" 3000 psi wp Shaffer Type "E" double hydraulic ram BOP will be installed on the 9 5/8" casing. Casing and BOP will be tested before drilling out with 12 1/4" and will be tested daily. See Exhibit "E".

MUD PROGRAM:	MUD WEIGHT	VIS.	W/L CONTROL
0' - 450': Fresh water mud	8.4 - 9.0 ppg	32	No W/L control
450' - 2800': Brine mud:	10.0 ppg	29	No W/L control
2800' - 3600': Brine mud:	10.0 ppg	30-32	W/L control 20-30CC +/-

- Auxiliary Equipment: Blowout Preventer, gas detector, Kelly cock, pit level monitor, flow sensors and stabbing valve.

- Testing, Logging, and Coring Program:

Drill Stem Tests: None unless warranted.

Logging: Gamma Ray/neutron: T.D. to surface.

Platform Express DLL-Dens-NEU.: T.D. to 8 5/8" Casing.

Coring: None planned.

9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered the proposed mud program will be modified to increase the mud weight. Estimated evacuated hole BHP = 1440 psi with temperature of 96°.
- 10 H<sub>2</sub>S: None expected based on previously drilled wells.
11. Anticipated starting date: May 1, 2001.  
Anticipated completion of drilling operations: Approx. 3 weeks.

## MULTI POINT SURFACE USE AND OPERATIONS PLAN

BRECK OIL CORP.  
Meyer "33" Federal, Well No. 1  
1100' FSL & 660' FEL, Sec. 33-T22S-R36E  
Lea County, New Mexico  
Lease No.: LC-030133B  
(Development Well)

This plan is submitted with the Application for Permit to Drill the above described well. The purpose of the plan is to describe the location of the proposed well, the proposed construction activities and operations plan, to be followed in rehabilitating the surface after completion of the operation so that a complete appraisal can be made of the environmental effects associated with the operations.

### 1. EXISTING ROADS:

- A. Exhibit "A" is a portion of a BLM map showing the location of the well as staked. The well site location is approximately 12 road miles southwest of Eunice, New Mexico. There will be approximately 8 miles of paved NM State Rd 207 and the Delaware Basin county road plus approximately 4 miles of gravel oilfield roads.
- B. Directions: Travel south from Eunice, NM on NM State highway 207(Loop #18) for 2 miles to the Delaware Basin Lea County road. Turn west on the county road for approximately 6.3 miles to the El Paso Natural Gas pipeline road. Turn south onto the pipeline road and continue for 3.7 miles. Turn west on oilfield road for .5 mile to the start of the proposed access road on the south side of road. The proposed access road will run south approximately 800 feet to the southeast corner of the proposed location.

### 2. PLANNED ACCESS ROAD:

- A. Length and Width: The proposed access road will be constructed to a width of 12 feet and will be approximately 800 feet in length. The proposed access road is color coded red on Exhibit "A".
- B. Construction: The proposed access road will be constructed by blading and topping with compacted caliche and will be properly drained.
- C. Turnouts: One turnout will be required, increasing the width to 20 feet for passing.
- D. Culverts: None required.
- E. Cuts and Fills: Will require the leveling of 3 to 5 foot sand dunes and deflation basins.
- F. Gates, Cattle guards: None required.
- G. Off Lease R/W: None required from BLM. Road and pad damages being paid to fee surface owner

### 3. LOCATION OF EXISTING WELLS:

- A. Existing wells within a two-mile radius are shown on Exhibit "C".

### 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. There are production facilities for Breck Oil Corp. on the lease at this time.
- B. If the well proves to be commercial, the necessary production facilities, gas separation-process equipment and tank battery will be installed on the drilling pad.

**BRECK OIL CORP.**

Meyer "33" Federal, Well No. 1

Page 2

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. It is planned to drill the proposed well with fresh water that will be obtained from private or commercial sources and will be transported over the existing and proposed access roads.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- A. Caliche for surfacing the access road and well site pad will be obtained on location, if possible, or from a private pit, owned by the Millard Deck Estate Ranch, in the SW $\frac{1}{4}$ NW $\frac{1}{4}$  of Sec. 33-T22S-R36E. No surface materials will be disturbed except those necessary for actual grading and leveling of the drill site and access road.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. All pits will be fenced with normal fencing materials to prevent livestock from entering the area.
- D. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or a separate disposal application will be submitted to the BLM for approval.
- E. Oil produced during operations will be stored in tanks until sold.
- F. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- G. Trash, waste paper, garbage and junk will be contained in trash bins to prevent scattering and will be removed for deposit in an approved sanitary landfill within 30 days after finishing drilling and/or completion operations.

**8. ANCILLARY FACILITIES:**

- A. None required.

**9. WELL SITE LAYOUT:**

- A. Exhibit "D" shows the relative location and dimensions of the well pad, reserve pits, and major rig components. The well pad and pit area have been staked and flagged, 400' X 400'.
- B. Mat Size: 200' X 140', plus 80' X 80' reserve pits on the north.
- C. Cut & Fill: Will require a 2-foot cut on the north and with fill to the south.
- D. The surface will be topped with compacted caliche and the dirt pits will be plastic lined.

**BRECK OIL CORP.**

Meyer "33" Federal, Well No. 1

Page 3

**10. PLANS FOR RESTORATION OF THE SURFACE:**

- A. After completion of drilling and/or completion operations, all equipment and other material not required for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in an aesthetically pleasing a condition as possible.
- B. Any unguarded pits containing fluids will be fenced and screened until they are filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the private surface owner, the Millard Deck Estate Ranch, will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled as soon as they are sufficiently dried.

**11. OTHER INFORMATION:**

- A. Topography: The well site and access road are located in the High Plains of eastern New Mexico with 2 - 6 foot vegetation covered sand dunes and deflation basins with an overall .66% slope to the southwest from a 3496' GL elevation.
- B. Soil: The topsoil at the well site is a course textured loamy soil of the Kermit-Palomas fine sands soils.
- C. Flora and Fauna: The vegetation cover on the proposed access road and location is a sparse to fair grass cover of three-awn, sand dropseed, bluestem, grama and other misc. native grasses along with plants of mesquite, oakbrush, yucca, broomweed, sunflowers, cacti and miscellaneous weeds and wildflowers. The wildlife consists of rabbits, coyotes, antelope, rattlesnakes, lizards, dove, quail and other wildlife typical of the semi-arid desert land.
- D. Ponds and Streams: None in the immediate area.
- E. Residences and Other Structures: None in the area except oilfield equipment.
- F. Land Use: Cattle grazing.
- G. Surface Ownership: The proposed well site and access road is on the fee surface of the Millard Deck Ranch Estate with Federal minerals. A copy of the surface owner's agreement is attached.
- H. There is no evidence of any archaeological, historical or cultural sites in the area. Archaeological Survey Consultants, P. O. Box D, Roswell, NM 88202, are conducting an archaeological survey and their report is being submitted to the appropriate government agencies.

**12. OPERATOR'S REPRESENTATIVE:**

- A. The field representative responsible for assuring compliance with the approved surface use and operations plan is as follows:

Don Craig  
Breck Oil Corp.  
P.O. Box 911  
Breckenridge, TX 76424  
Office Phone: (254) 559-3355

Robert Lambert, Supt.  
P.O. Box 4250  
Midland, TX 79704  
Cell Phone: 915/556-8750

**BRECK OIL CORP.**

Meyer "33" Federal, Well No. 1

Page 4

**13. CERTIFICATION:**

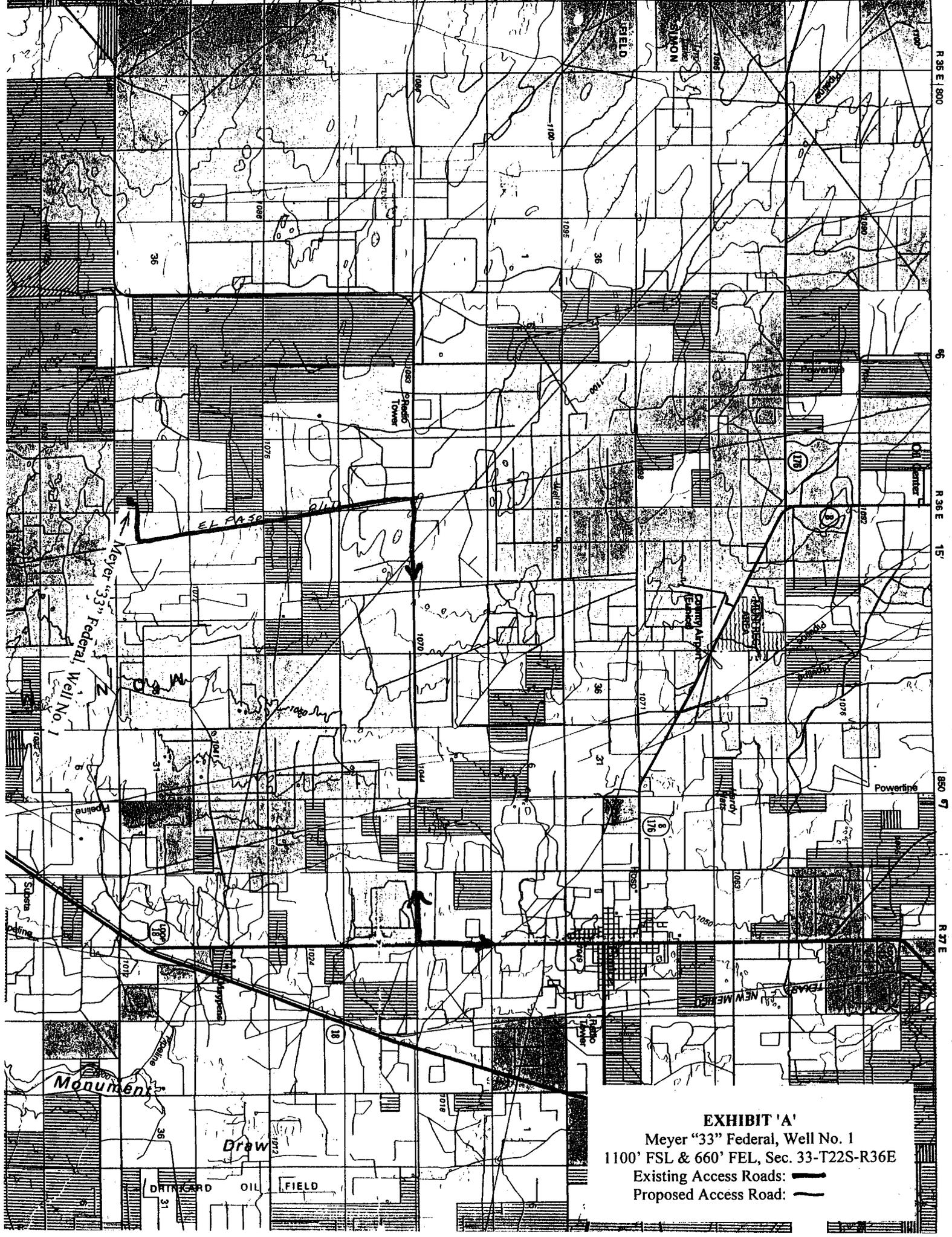
I hereby certify that I have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Breck Oil Corp. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

April 10, 2001

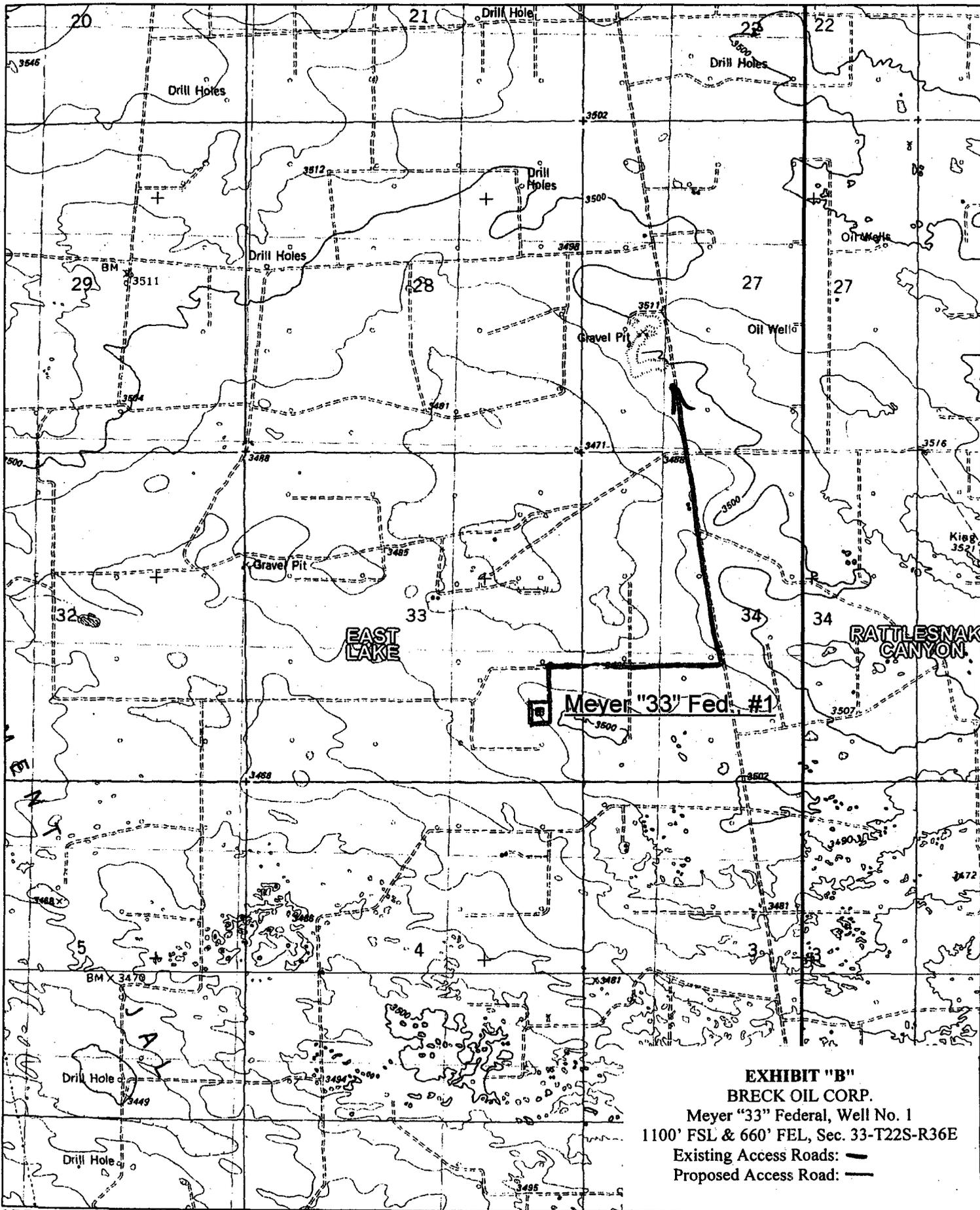


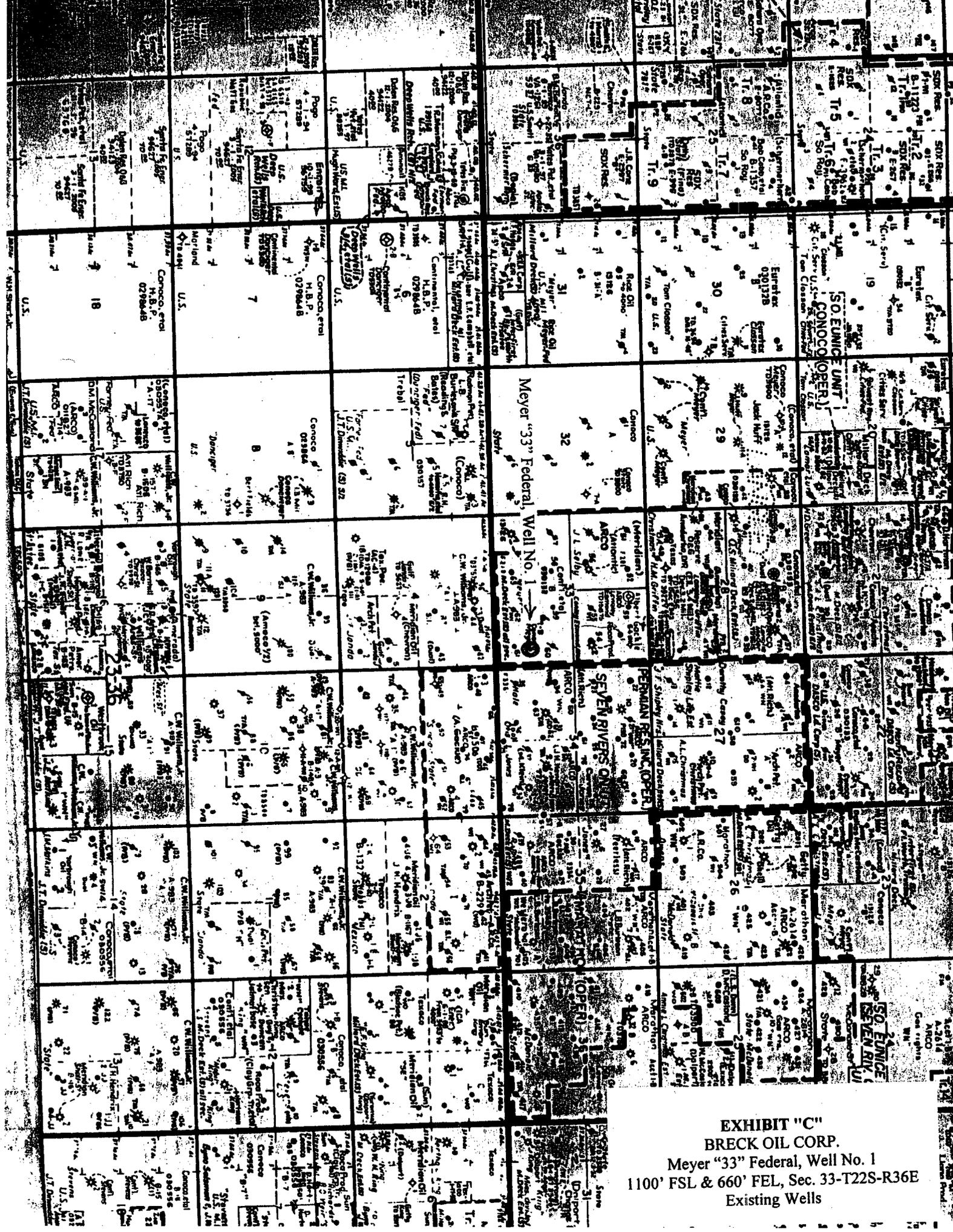
George R. Smith

Agent for: BRECK OIL CORP.



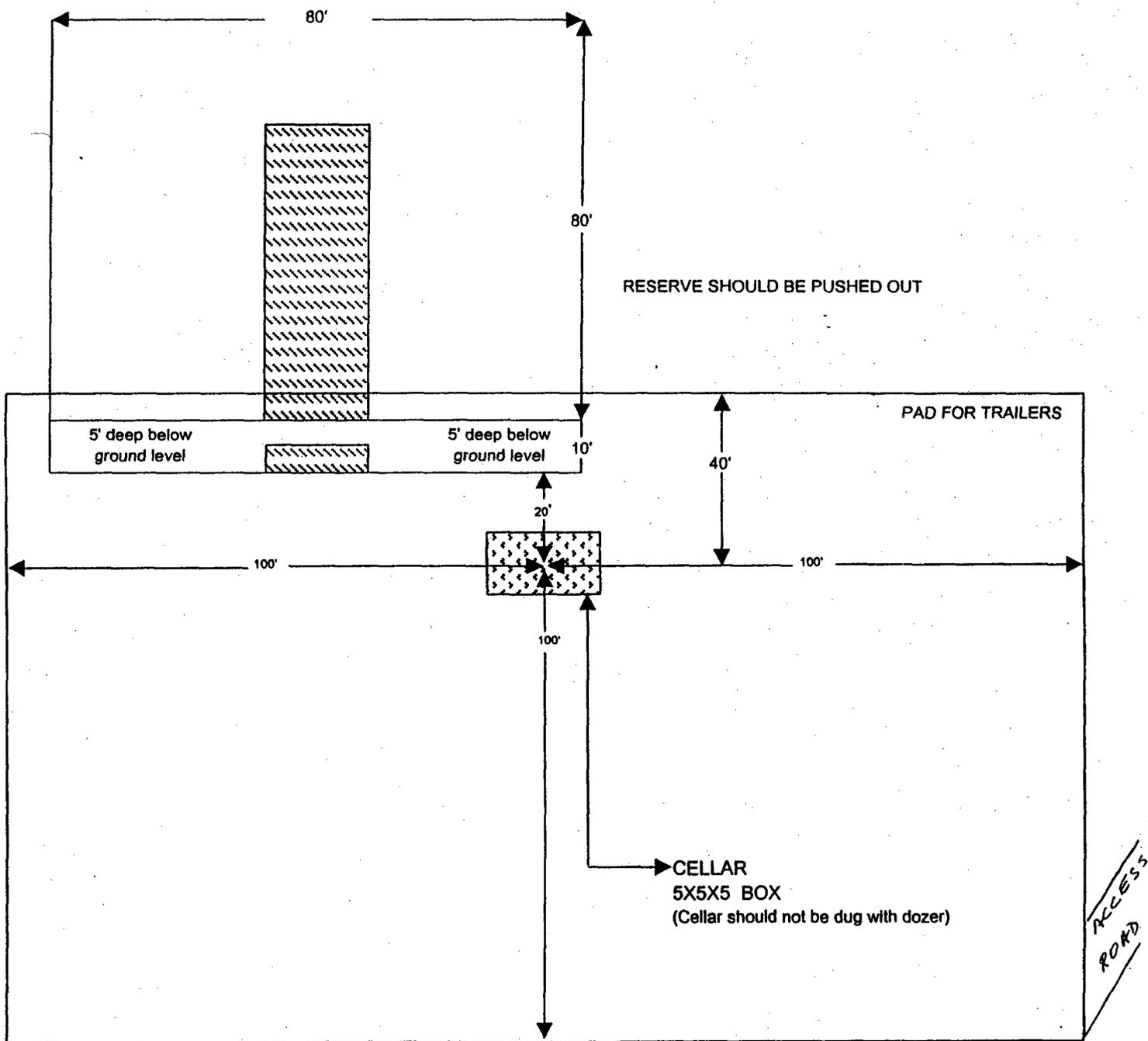
**EXHIBIT 'A'**  
 Meyer "33" Federal, Well No. 1  
 1100' FSL & 660' FEL, Sec. 33-T22S-R36E  
 Existing Access Roads:   
 Proposed Access Road: 





**EXHIBIT "C"**  
**BRECK OIL CORP.**  
 Meyer "33" Federal, Well No. 1  
 1100' FSL & 660' FEL, Sec. 33-T22S-R36E  
 Existing Wells

CapStar Drilling, Inc.  
LOCATION SPECIFICATIONS



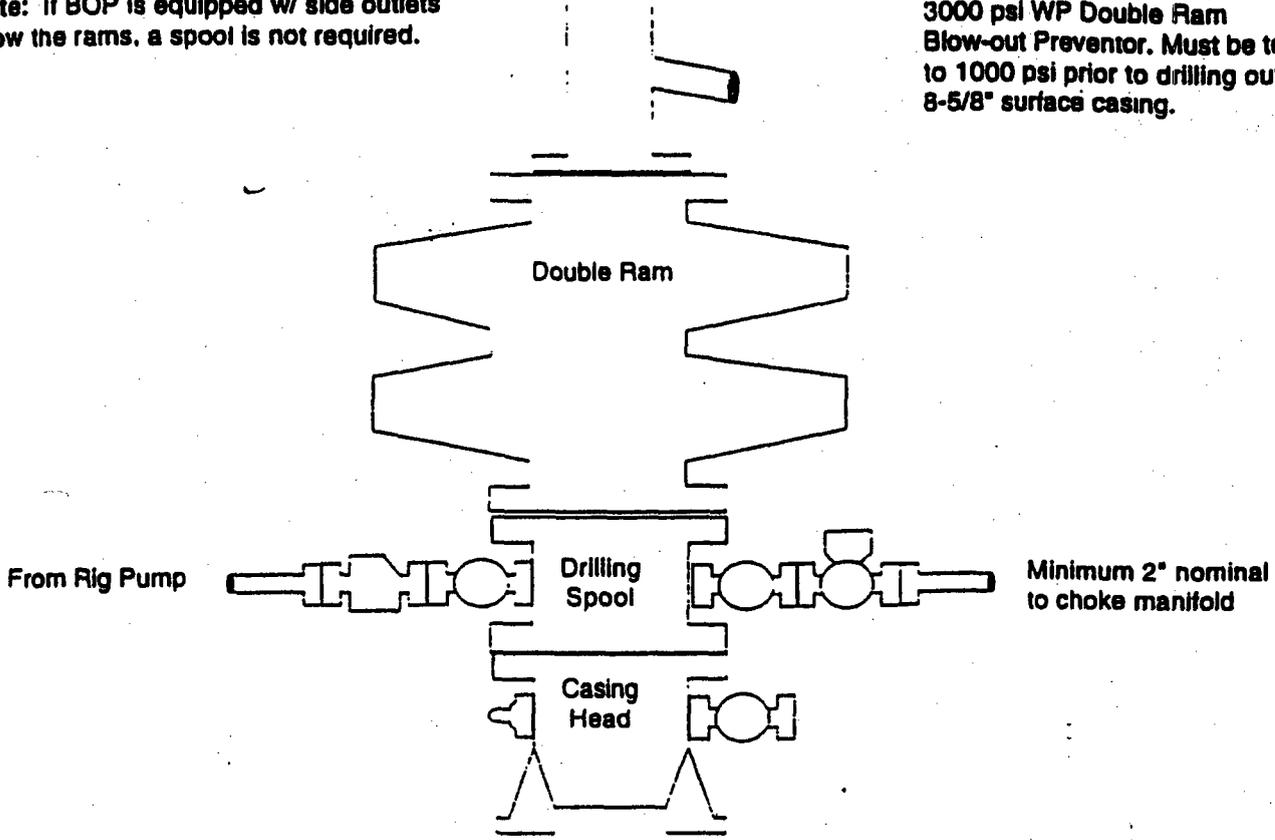
Location Specs

**EXHIBIT "D"**  
**BRECK OIL CORP.**  
Meyer "33" Federal, Well No. 1  
Pad & Pit Layout

**BOP Schematic**

Note: If BOP is equipped w/ side outlets below the rams, a spool is not required.

3000 psi WP Double Ram Blow-out Preventor. Must be tested to 1000 psi prior to drilling out 8-5/8" surface casing.



**Choke Manifold Schematic**

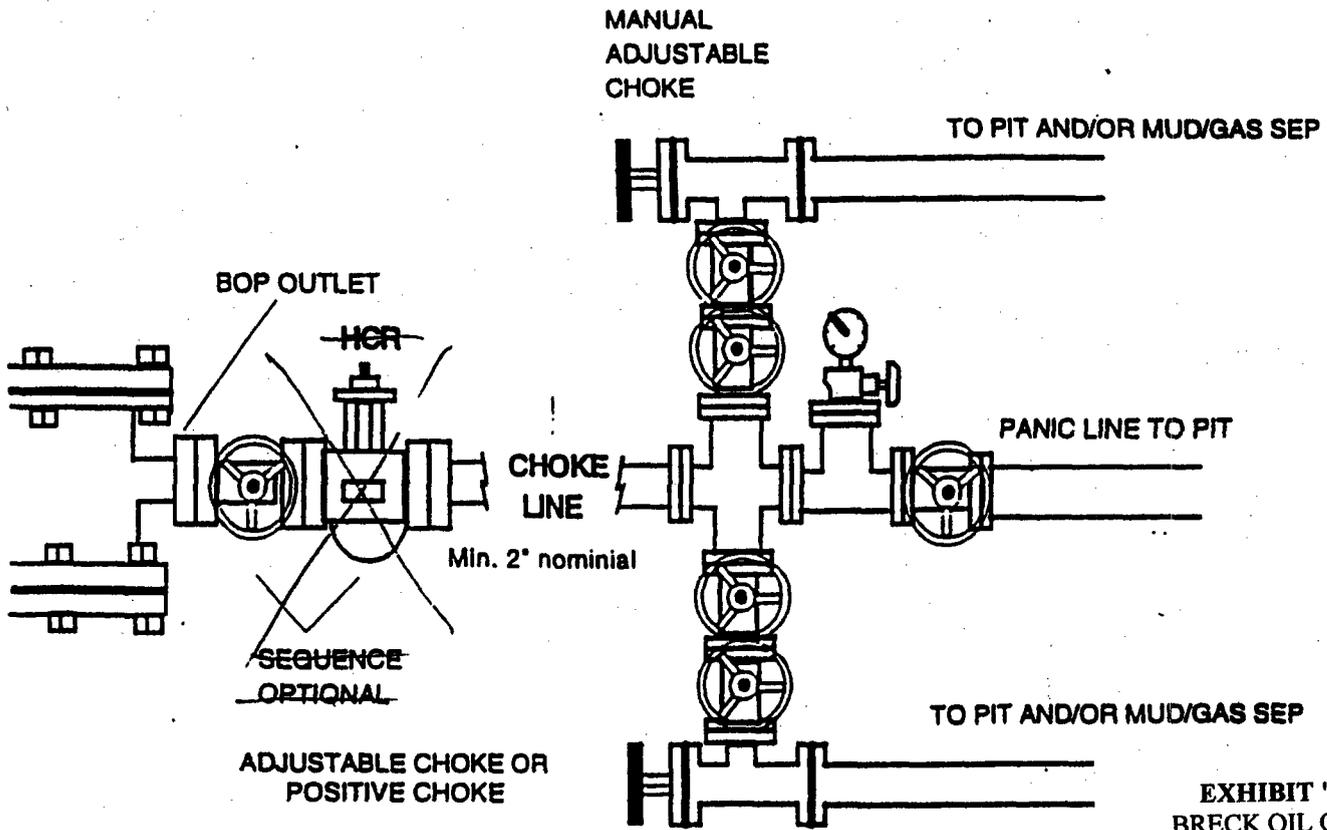


EXHIBIT "E"  
BRECK OIL CORP.  
Meyer "33" Federal, Well No. 1  
BOP Specifications

# BRECK OPERATING CORP.

P.O. BOX 911  
BRECKENRIDGE, TEXAS 76424-0911  
254-559-3355

March 14, 2001

Tim Walters  
BANK OF AMERICA  
P.O. Box 270  
Midland, Texas 79702

RE: Proposed Well South Eunice Unit (5992)  
1100' FSL 660 FEL T22S, R36E, Section 33  
Lea County, New Mexico

Dear Tim:

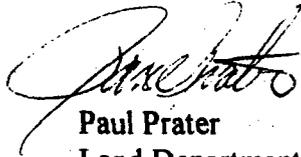
Breck Operating Corp. proposes to drill a well at a location shown on the attached plat.

Breck also agrees to the following schedule for damages:

1. Location damages \$4,500.00
2. Flow line damages under 6" in diameter \$12.00 per rod
3. New Road damages \$15.00 per rod
4. Caliche \$3.50 per yard

If this meets with your approval, please sign and return one copy to my attention.

Yours very truly,



Paul Prater  
Land Department

PP/gb

AGREED TO AND ACCEPTED THIS 19 DAY OF March, 2001.

By:   
Tim Walters

