Stogner, Michael

From: Sent:

Megan Loyd [mloyd@texpetro.com] Tuesday, June 03, 2003 8:32 AM mstogner@state.nm.us Mckinley #1 CT

To: Subject:



Stogner, Michael

From: Sent:

Mark Jacoby [mjacoby@texpetro.com] Thursday, June 05, 2003 8:53 AM

To: Subject: mstogner@state.nm.us McKinley CT No. 1

Michael,

I will have you a more detailed geologic description before noon today. I am sorry for my misunderstanding - I assumed the structure was a bit more self explanatory and was in too much of a hurry. The geologist will write a more detailed reason why the best chance of success is drilling in the very top of the structure - most of that is in this proration unit but none of the very top is outside 330 and 330 from any of the proration units that come together. We have houses and surface problems to also.

Thank you and we will email you soon.

Mark Jacoby

Chance of this proration units that

817-336-2751

Mail mury Mail your months of Mark industry on Months 6-2-03

Jakked up Mark industry - Talland 3 alber time in 6-2-03 - Alled asin a.m. of Munich 6-5-03.

Stogner, Michael

From:

Stogner, Michael

Sent:

Thursday, June 05, 2003 9:56 AM

To:

'Mark Jacoby'

Subject:

RE: McKinley CT No. 1

You mentioned them. It's beginning to sound as if this may not be a viable application.

----Original Message----

From: Mark Jacoby [mailto:mjacoby@texpetro.com]

Sent: Thursday, June 05, 2003 9:52 AM

To: Stogner, Michael

Subject: RE: McKinley CT No. 1

I will fax you a topo map. The houses are to the north - the geologist has not had me look north so they haven't come into play. The reason I mentioned them was a result of your mentioning moving north. I will go fax this now. Thanks.

Mark

----Original Message----

From: Stogner, Michael [mailto:MSTOGNER@state.nm.us]

Sent: Thursday, June 05, 2003 10:18 AM

To: Mark Jacoby

Subject: RE: McKinley CT No. 1

All of a sudden there are houses. Provide me a detailed topographic map that shows these surface features.

----Original Message----

From: Mark Jacoby [mailto:mjacoby@texpetro.com]

Sent: Thursday, June 05, 2003 9:11 AM

To: mstogner@state.nm.us Subject: McKinley CT No. 1

Dear Michael,

Attached is the geologist's more detailed description and reasons for drilling the first well on this prospect at this location. Going north does not fall as fast structurally, but there are houses and economics come in as to added cost to directonally drill, etc. One additional reason from a reservoir engineering viewpoint is the Abo reservoirs are typically strong water drives. It is best to develop a reservoir from the top of structure down so the oil-water contact can be determined.

I hope this gives you enough information to evaluate our request to the depth you desire.

Thank you and I look forward to hearing from you - I may give you a call just to tie up loose end.

Mark A. Jacoby