

DATE IN 1/19/99	SUSPENSE 2/8/99	ENGINEER MS	LOGGED KV	TYPE NSP
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

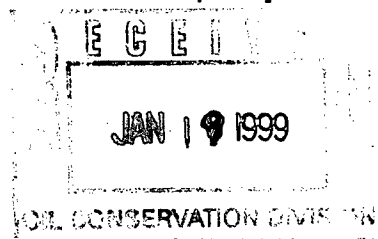
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
☐ NSL ☒ NSP ☐ DD ☐ SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR



[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☒ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Michael C. Pierce
 Print or Type Name

Signature

Title

Date

1-14-99

PEAK CONSULTING SERVICES

P.O. BOX 636
HOBBS, NEW MEXICO 88241-0636
(505) 392-1915

January 14, 1999

Mr. David Catanach
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

RE: Application by ME-TEX OIL & GAS INC. for an
80 acre NSPU to the J.W. COOPER # 5 well.
Production from the SKAGGS ABO GAS POOL
located at the W/2 NE/4, Section 3, T-20S, R-37E,
Lea County, New Mexico

Dear Mr. Catanach:

EXHIBIT A shows the 80 acre Cooper Lease, Skaggs Abo Gas Producers, and the offset operators to this lease. The Skaggs Abo Gas Pool has 160 acre spacing. The J. W. Cooper #5 is the only well producing from the Skaggs Abo Gas Pool in the vicinity. The ownership in this 80 acre lease is common.

The J.W. Cooper #5 well was drilled in 1998 by Amerada Hess to test the Strawn Formation. The Strawn was non-productive. Operations of the well were taken over by ME-TEX OIL & GAS. ME-TEX has since run pipe and completed the well. Exhibit E is a copy of the C-102 enclosed for your convenience. Several other wells have penetrated the Abo, and have attempted Abo completions. These attempts have been unsuccessful.

The current daily production rate for the J.W. Cooper #5 is 195 MCFGPD. Due to the marginal nature of this well and that several offsets have been unsuccessful in establishing commercial Abo production, ME-TEX OIL & GAS respectfully requests that this NSPU be approved.

EXHIBIT B is a list of all the offset operators, shown in EXHIBIT A. EXHIBIT C is a WELL LOCATION AND DEDICATION PLAT for the J. W. Cooper #5 well. EXHIBIT D shows copies of the certified mail receipts.

Thank you for your consideration. If I can be of further assistance, please let me know.

Very Truly Yours,



Michael L. Pierce

cc: Hobbs District OCD Office

ME-TEX OIL & GAS INC.

EXHIBIT A

J. W. COOPER LEASE
OFFSET ACREAGE PLAT
SKAGGS ABO GAS PRODUCERS

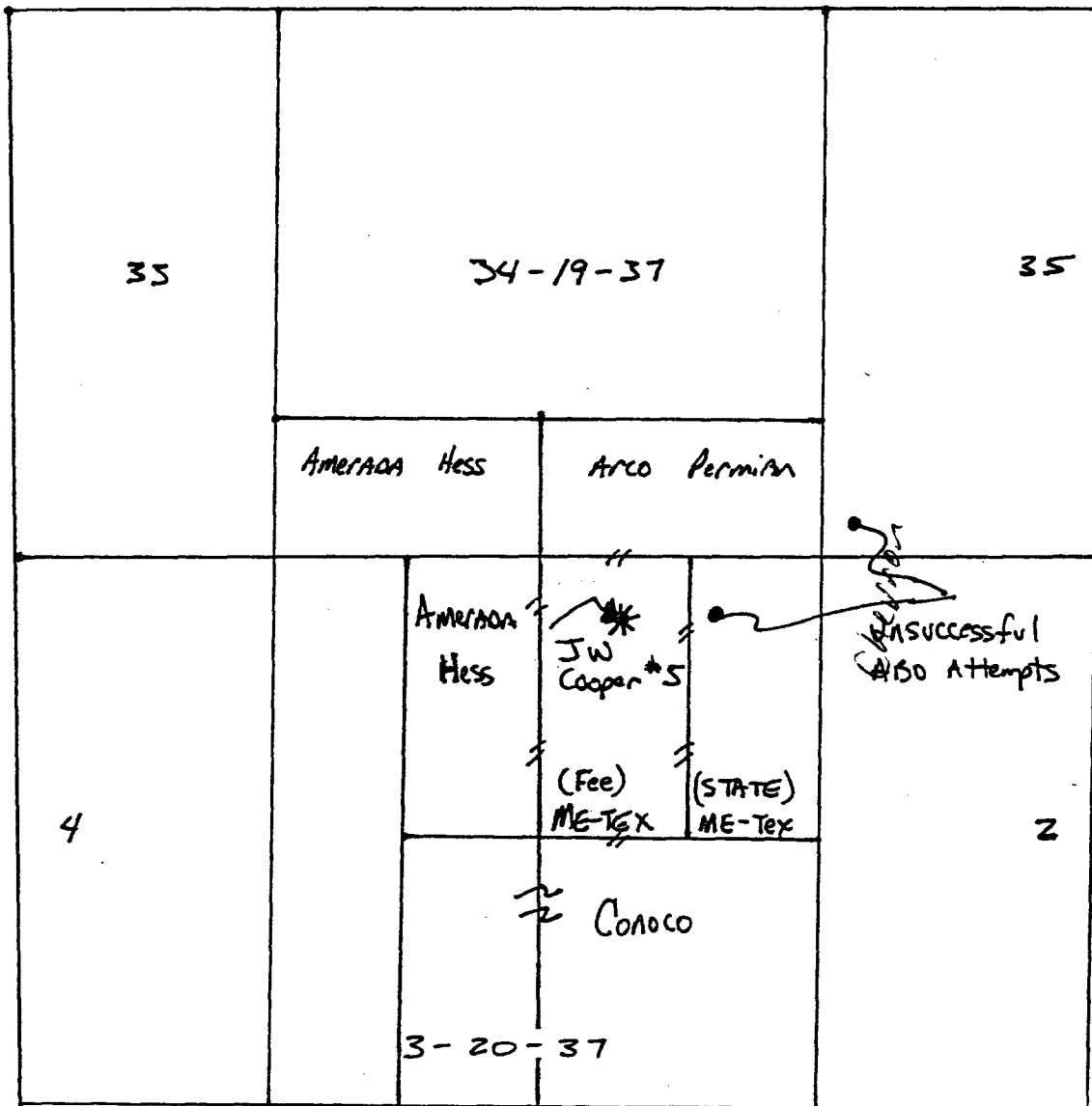


EXHIBIT B

J. W. COOPER LEASE

OFFSET OPERATORS

TO PROPOSED 80-ACRE NSPU

**AMERADA HESS CORPORATION
POST OFFICE DRAWER D
MONUMENT, NEW MEXICO 88265**

**ARCO PERMIAN
POST OFFICE BOX 1610
MIDLAND, TEXAS 79702**

**CONOCO INC.
10 DESTA DRIVE WEST
MIDLAND, TEXAS 79705**

ME-TEX OIL & GAS INC.

EXHIBIT D

CERTIFIED MAIL RECEIPTS

P 442 341 408

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to Amerada Hess Corp.	
Street & Number P.O. Drawer D	
Post Office, State, & ZIP Code Monument, NM 88265	
Postage	\$ 0.55
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 1.95
Postmark or Date	Jan. 14, 1999

PS Form 3800, April 1995

Z 576 995 935

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to Arco Permian	
Street & Number P.O. Box 1610	
Post Office, State, & ZIP Code Midland, TX 79702	
Postage	\$ ✓
Certified Fee	✓
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	✓
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 1.95
Postmark or Date	Jan. 14, 1999

PS Form 3800, April 1995

P 442 341 407

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to Conoco Inc.	
Street & Number 10 Desta Drive West	
Post Office, State, & ZIP Code Midland, TX 79705	
Postage	\$ ✓
Certified Fee	✓
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	✓
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 1.95
Postmark or Date	Jan. 14, 1999

PS Form 3800, April 1995

Submit to Appropriate
District Office
State Leases - 6 copies
Fed Leases - 5 copies
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Arriba Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-105
Revised 1-1-89

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

WELL API NO.	30-025-34292
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____	7. Lease Name or Unit Agreement Name J. W. Cooper			
b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DEEP REPAIR <input type="checkbox"/> OTHER _____	8. Well No. 5			
c. Name of Operator Me-Tex Oil & Gas, Inc.	9. Pool name or wildcard Skaggs Abo			
d. Address of Operator P.O. Box 2070				
e. Well Location Unit Letter B : 604 Feet From The North Line and 1978 Feet From The East Line Section 3 Township 20S Range 37E NMPM Lea County				
10. Date Spudded 2/9/98	11. Date T.D. Reached 3/5/98	12. Date Compl. (Ready to Prod.) 11/25/98	13. Elevations (DF & REE, RT, GR, etc.) 3564' GR	14. Elev. Casinghead 3565'
5. Total Depth 8380'	16. Plug Back T.D. 7339'	17. If Multiple Complet. How Many Zones?	18. Intervals Drilled By Rotary Tools	Cable Tools
9. Producing Interval(s), of this completion - Top, Bottom, Name 7143' - 7221' Skaggs Abo				21. Was Directional Survey Made Yes
11. Type Electric and Other Logs Run P.D.C. Log				22. Was Well Cored No

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	1385'	11"	500 sxs. Cl. "C" total + additives	
5 1/2"	15 1/2"-17#/ft.	7340'	7-7/8"	710 sxs. "C"	
				605 sxs. "C"	

LINER RECORD

25. TUBING RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"		6,725'

26. Perforation record (interval, size, and number)

Intervals: 7,143' - 45' - 74' - 80' - 84' - 91' - 96' - 99' - 7,202' - 04' - 07' - 12' - 19' & 21' (28 shots total)

27. ACID. SHOT. FRACTURE CEMENT. SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
7143' - 7221'	4500 (15% NeFe Hcl Acid)
	7000 (Clear-Frac Gel Pad)
	10,000 (J-42, 15% Hcl)

PRODUCTION

11/25/98	Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing				Well Status (Prod. or Shut-in) Prod.		
1/5/99	Hours Tested 24	Coke Size 24/64"	Prod'n For Test Period	Oil - Bbl 0	Gas - MCF 243	Water - Bbl 0	Gas - Oil Ratio -
32	Casing Pressure Pkr.	Calculated 24-Hour Rate	Oil - Bbl 0	Gas - MCF 243	Water - Bbl 0	Oil Gravity - API - (Corr.) ----	
1. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold					Test Witnessed By Burton Veteto		
2. Lic. Address ME-TEX OIL & GAS INC.							

I hereby certify that the information shown on both sides of is

EXHIBIT E

to the best of my knowledge and belief

Signature Tonia Harper Printed Name Tonia Harper Title Prod. Clerk Date 1/5/99

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

01/20/99 13:53:32
OGOMES -TPJ1
PAGE NO: 1

Sec : 03 Twp : 20S Rng : 37E Section Type : NORMAL

4 40.75 Federal owned U A A	3 40.76 Federal owned U A	2 40.78 Fee owned U A A A A A	1 40.79 CS B01167 0067 09/42 ME-TEX OIL & GAS C U A A A
E 40.00 Fee owned U A	F 40.00 Fee owned U A A	G 40.00 Fee owned U A A	H 40.00 CS B01167 0048 09/42 SHELL WESTERN E & C A A
L 40.00 Fee owned U	K 40.00 Federal owned	J 40.00 CS B02366 0011 01/39 CONOCO INC C A	I 40.00 CS B02656 0000 09/38 CONOCO INC C A A
M 40.00 Federal owned A	N 40.00 Federal owned	O 40.00 CS B02366 0011 01/39 CONOCO INC C A	P 40.00 CS B02656 0000 09/38 CONOCO INC C