

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



March 5, 1987

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

TOMSCO Energy
P.O. Box N
Artesia, New Mexico 88210

Attention: Thomas K. Scroggin

Re: Administrative Order NFL-156

Dear Mr. Scroggin:

Reference is made to your application for an Infill Well Finding and Well-Spacing Waiver made pursuant to Section 271.305(b) of the Federal Energy Regulatory Commission regulations, Natural Gas Policy Act of 1978, and Oil Conservation Division Order No. R-6013 for the following described well:

Collier & Collier Gilmore State Well No. 2
located 405 feet from the South line and 2310
feet from the West line of Section 17, Township
18 South, Range 28 East, NMPM, Eddy County,
New Mexico.

THE DIVISION FINDS THAT:

(1) Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.

(2) By Division Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.

(3) The well for which a finding is sought is to be completed in the Artesia Queen Grayburg San Andres Pool, and the standard spacing unit in said pool is 40 acres.

(4) A standard 40-acre oil proration unit comprising the SE/4 SW/4 (Unit N) of Section 17, Township 18 South, Range 28 East, is currently dedicated to the Gilmore State Well No. 1 also located in Unit N of said Section 17.

(5) Said unit is not being effectively and efficiently drained by the existing well on the unit.

(6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 16,516 MCF of gas from the proration unit which would not otherwise be recovered.

(7) All the requirements of Division Order No. R-6013 have been complied with, and the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.

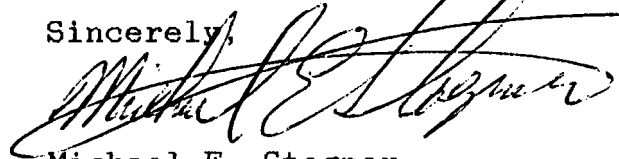
(8) In order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

IT IS THEREFORE ORDERED THAT:

(1) The applicant is hereby authorized to drill the Collier & Collier Gilmore State Well No. 2 as described above, as an infill well on the existing 40-acre oil proration unit comprising the SE/4 SW/4 (Unit N) of Section 17, Township 18 South, Range 28 East, NMPM, Artesia Queen Grayburg San Andres Pool, Eddy County, New Mexico. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Michael E. Stogner
Examiner

xc: N.M.O.C.D. - Artesia

NFLTOM

Received 2/84

Please Now

MB

TOMSCO Energy
P.O. Box N
Artesia, New Mexico 88210

Attention: Thomas K. Scroggin

Re: Administrative Order NFL- 156

Dear Mr. Scroggin:

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located 405 feet from the South line and 2310
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18 South, Range 28 East, NMPM, Eddy County,
New Mexico.

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(2) By Division Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.

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(4) A standard 40-acre oil proration unit comprising the SE/4 SW/4 (Unit N) of Section 17, Township 18 South, Range 28 East, is currently dedicated to the Gilmore State Well No. 1 also located in Unit N of said Section 17.

(5) Said unit is not being effectively and efficiently drained by the existing well on the unit.

(6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 16,516 MCF of gas from the proration unit which would not otherwise be recovered.

(7) All the requirements of Division Order No. R-6013 have been complied with, and the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.

(8) In order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

IT IS THEREFORE ORDERED THAT:

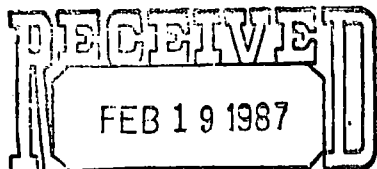
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(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Michael E. Stogner
Examiner

N.M.O.C.D. - Artesia



February 17, 1987
OIL CONSERVATION DIVISION
SANTA FE

Thomas K. Scroggin

TOMSCO Energy

P. O. Box N

Artesia, New Mexico 88210

(505) 746-6346

(505) 748-2118

Mr. Michael Stogner
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501


RE: NGPA Section 103 Application,
(Previous Collier & Collier) TOMSCO
Energy, Gilmore ST. #2, N-17-T18S-R28E,
Eddy County, N.M., Received by NMOCD -
February 27, 1984.

Dear Mr. Stogner:

In reference to your January 7, 1987 letter and our subsequent phone conversation, I am writing this letter pursuant to Rule 9 R-6013-A and have computed an estimated, ultimate recovery from the Gilmore St.#2 well. As I mentioned in our conversation, Collier & Collier drilled this well when the offset acreage was in their possession. Their paperwork to you is in order except for the information I am herewith providing. I purchased this leasehold interest in April of 1986.

1st yr. MCF:	2057	(9 mo.) 1984
2nd yr. MCF:	1944	1985
3rd yr. MCF:	1190	1986
4th yr. MCF:	1071	= 10% decline
5th yr. MCF:	964	
6th yr. MCF:	867	
7th yr. MCF:	780	
8th yr. MCF:	702	
9th yr. MCF:	632	
10th yr. MCF:	569	
10th - 20th yr:	5690	= Level gas - No decline after a certain point.
16516 MCF - 20 yr. life of well estimate.		

I showed a 10% decline for years 4 through 10. Once a well is fairly old, it holds true that the gas finds a fairly steady rate of production, thus I used a level figure for years 10-20.

Thomas K. Scroggin
TOMSCO Energy
P. O. Box  N
Artesia, New Mexico 88210
(505) 746-6346
(505) 748-2118

Mr. Michael Stogner
New Mexico Oil Conservation Division

February 17, 1987
Page 2

Because this well was drilled in the same unit letter and formation as the Gilmore St #1, which is an old, open hole completion, I believe the production information shows the necessity of the Gilmore ST.#2 well to adequately produce this 40 acre parcel.

I hope this letter has been helpful and I trust this will complete the requirements relating to Section 103 of the NGPA. Your assistance has been greatly appreciated and I thank you.

Yours very truly,



Thomas K. Scroggin

TKS: dc

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



January 7, 1987

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Tomsco Energy
P. O. Box 664
Artesia, New Mexico 88210

Attn: Thomas K. Scroggin
Owner

Re: NGPA Section 103 Application
Collier & Collier
Gilmore State Well No. 2
N-17-T18S-R28E, Eddy County,
New Mexico. Received by
NMOCD - Feb. 27, 1984

Dear Mr. Scroggin,

In reviewing our NGPA (Natural Gas Policy Act) pending files I find that the subject application is still pending a determination, I also show that Tomsco Energy is now the operator of the subject well.

To clear this application from our files, please either submit an Infill well Finding pursuant to Division Order No. R-6013-A, see attached, or submit in writing a request for dismissal. If this supplemental information has not been received by me within 90-days from the date of this letter, this application shall then be automatically withdrawn.

Also attached, please find a copy of the subject application and the previous correspondence on this matter.

If you should have any questions concerning this matter, please contact me. Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael E. Stogner". The signature is fluid and cursive, with a large, stylized initial "M".

Michael E. Stogner
Engineer

MES/et

enclosure

xc: Phillips 66 Natural Gas Company



ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

COLLIER & COLLIER
P.O. BOX 798
Artesia, New Mexico 88210

RE: Well head price ceiling
determination, NGPA of
1978

Gentlemen:

The New Mexico Oil Conservation Division has received your application for a wellhead price ceiling category determination under the sections(s) of the Natural Gas Policy Act of 1978 indicated below if your application is incomplete, forms are attached hereto, indicating the documents and further information which must be filed before your application can be considered. If your application is complete, it will be acted upon administratively unless written objection is received within 15 days of its filing.

WELL NAME AND LOCATION Gilmore State 17-18S-28E #2-N

SECTION(S) APPLIED FOR 103

DATE APPLICATION RECEIVED February 27, 1984

APPLICATION INCOMPLETE Need an NFL Order. Statement is
not for 103 determination

Sincerely,

DATE: 3/19/84

NOTE:

THIS FORM LETTER MUST ACCOMPANY TWO COPIES OF THE SUPPLEMENTARY INFORMATION.

6/9/86 Since the #1 well shows gas production, please file for an
Infill Well Finding pursuant to R-6013-A, if this information
has not been received within 90 days, this application will
then be withdrawn. W. Stegner

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

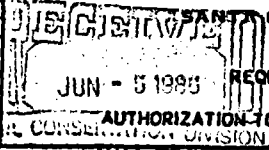
OIL CONSERVATION DIVISION

P. O. BOX 2028

SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-1-78

NO. OF COPIES DESIRED	
DISTRIBUTION	
SANTA FE	<input checked="" type="checkbox"/>
ALBUQUERQUE	<input type="checkbox"/>
EL PASO	<input type="checkbox"/>
LAND OFFICE	<input type="checkbox"/>
TRANSPORTER	<input type="checkbox"/>
OPERATION	<input type="checkbox"/>
REGISTRATION OFFICE	<input type="checkbox"/>



Operator TOMSCO Energy

Address P.O. Box 664 ARTESIA, NEW MEXICO 88210

Reason(s) for filing (Check proper box)

New Well <input type="checkbox"/>	Change in Transporter oil <input type="checkbox"/>	Other (Please explain)
Recompletion <input type="checkbox"/>	Oil <input checked="" type="checkbox"/>	Dry Gas <input type="checkbox"/>
Change in Ownership <input checked="" type="checkbox"/>	Casinghead Gas <input type="checkbox"/>	Condensate <input type="checkbox"/>

If change of ownership give name and address of previous owner COLLIER ENERGY P.O. DRAWER R ARTESIA, NEW MEXICO 88210

I. DESCRIPTION OF WELL AND LEASE

Lease Name <u>GILMORE STATE</u>	Well No. <u>2</u>	Pool Name, including formation <u>ARTESIA O G SA</u>	Kind of Lease State, Federal or Fee <u>STATE</u>	Lease No. <u>L-3852</u>
Location Unit Letter <u>N</u> , <u>405</u> Feet From The <u>SOUTH</u> Line and <u>2310</u> Feet From The <u>WEST</u>				
Line of Section <u>17</u> T. <u>18S</u> Range <u>28E</u> N.M.P.M. <u>EMERY</u> County				

II. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> <u>NAVAJO REFINING PIPELINE DIV.</u>	Address (Give address to which approved copy of this form is to be sent) <u>P.O. DRAWER 159 ARTESIA, N.M. 88210</u>
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> <u>PHILLIPS PETROLEUM CO.</u>	Address (Give address to which approved copy of this form is to be sent) <u>#4 HOME SAVINGS LOAN, BARTLESVILLE, OKLA. 74004</u>
If well produces oil or liquids, give location of tanks. Unit <u>L</u> Sec. <u>17</u> Twp. <u>18</u> Rge. <u>28</u>	Is gas actually connected? <u>YES</u> When <u>3-28-84</u>

If this production is commingled with that from any other lease or pool, give commingling order number: _____

III. COMPLETION DATA

Designate Type of Completion - (X)	<input type="checkbox"/> Oil Well	<input type="checkbox"/> Gas Well	<input type="checkbox"/> New Well	<input type="checkbox"/> Workover	<input type="checkbox"/> Deepen	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Some Res'v.	<input type="checkbox"/> Diff. Res'v.
Date Spudded	Date Compl. Ready to Prod.	Total Depth			P.S.T.D.			
Elevations (DF, R&B, RT, CR, etc.)	Name of Producing Formation	Top Oil/Gas Pay			Tubing Depth			
Perforations					Depth Casing Shoe			

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

IV. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MCF	Gravity of Condensate
Testing Method (prior, back pr.)	Tubing Pressure (Shot-In)	Casing Pressure (Shot-In)	Choke Size

V. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Thomas K. Suggs
(Signature)
OWNER
(Title)
5-7-86
(Date)

OIL CONSERVATION DIVISION

APPROVED

BY

SUPERVISOR, DISTRICT II

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner well name or number, or transporter, or other such change of condition. Separate Forms C-104 must be filed for each pool in multi-completed wells.

SPECIAL RULES AND REGULATIONS
NATURAL GAS POLICY ACT INFILL FINDINGS
ADMINISTRATIVE PROCEDURE
(Amended February 8, 1980)

A. DEFINITIONS

RULE 1. For purposes of this administrative procedure only, the following definitions are adopted:

- a. Infill well: An additional well which has been drilled for production on an established proration unit.

B. APPLICABILITY

RULE 2. These special rules and regulations shall apply to effective and efficient drainage findings for completed infill wells pursuant to Section 271.305 of the final Rules and Regulations of the Federal Energy Regulatory Commission relating to Section 103 of the Natural Gas Policy Act of 1978. (These special rules and regulations do not apply to infill wells drilled in the Blanco Mesaverte or Basin-Dakota Pools. Infill wells in these two pools are covered by Rule 15 B of the "Special Rules for Applications for Wellhead Price Ceiling Category Determinations" promulgated by Division Order No. R-5878 as amended by Order No. R-5878-A.)

C. JUSTIFICATION FOR FINDINGS

RULE 3. The Division Director or a Division Examiner may find that an infill well is necessary:

- a. upon a showing by the operator that an additional well is needed to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and
- b. upon receipt of waivers from all offset operators, or if no offset operator has entered an objection to the infill finding within 20 days after receipt of the application by the Director.

RULE 4. The Director may set any application for hearing at his discretion or at the request of an applicant.

Exhibit A
Order R-6013-A

D. FILING REQUIREMENTS

RULE 5. Each applicant shall submit a copy of the approved Form C-101 for the infill well and Form C-102 showing the proration unit dedicated.

RULE 6. Applicant shall give the name of the pool in which the infill well has been drilled and the standard spacing unit size therefor.

RULE 7. If applicable, the applicant shall give the number of the Division order approving the non-standard proration unit dedicated to the well.

RULE 8. The applicant shall submit a description of all wells drilled on the proration unit (including the completed infill well) which are or have been completed in the same pool or reservoir as the proposed infill well showing:

- a. lease name and well location;
- b. spud date;
- c. completion date;
- d. a description of any mechanical problems experienced along with a summary of remedial action(s) taken and the results obtained;
- e. the current rate of production/ and
- f. date of plug and abandonment, if any;
- g. a clear and concise statement indicating why the existing well(s) on the proration cannot effectively and efficiently drain the portion of the reservoir covered by the proration unit.

RULE 9. The applicant shall submit geological and engineering information sufficient to support a finding as to the necessity for an infill well including:

- a. formation structure map
- b. the volume of increased ultimate recovery expected to be obtained and a narrative describing how the increase was determined
- c. any other supporting data which the applicant deems to be relevant which may include:
- (1) porosity and permeability factors
- (2) production/pressure decline curves
- (3) effects of secondary recovery or pressure maintenance operations.

RULE 10. Applications for infill findings shall be filed in duplicate with the Santa Fe office of the Division.

RULE 11. All operators of proration or spacing units offsetting the unit for which an infill finding is sought shall be notified of the application by certified or registered mail, and the application shall state that such notification has been given.

OIL CONSERVATION DIVISION

Revised 10-1-78

P. O. BOX 2000

SANTA FE, NEW MEXICO 87501

RECEIVED BY

MAY 23 1984

O. C. D.
ARTESIA, OFFICEREQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

NAME OF OPERATOR	
NAME OF TRANSPORTER	
NAME OF PRODUCER	
NAME OF LAND OFFICE	
NAME OF OPERATOR	
NAME OF TRANSPORTER	
NAME OF PRODUCER	
NAME OF LAND OFFICE	

Collier Energy, Inc.

Address
P.O. Drawer R Artesia, New Mexico 88210

Reason(s) for filing (Check proper box)

New Well ☐Recompletion ☐Change in Ownership ☒

Change in Transporter oil

Oil ☒Casinghead Gas ☐Dry Gas ☐Condensate ☐

Other (Please explain)

If change of ownership give name and address of previous owner

Collier & Collier

P.O. Box 798,

Artesia, N.M. 88210

DESCRIPTION OF WELL AND LEASE

Lease Name Gilmore State	Well No. 2	Pool Name, including Formation Artesia Queen GR-SA	Kind of Lease State, Federal or Fee State	Lease L-385
Location Unit Letter N : 405 Feet From The South Line and 2310 Feet From The West Line of Section 17 Township 18S Range 28E NMPM, Eddy Co				

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
KOCH OIL COMPANY	P. O. Box 1558, Breckenridge, Texas 76024
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Phillips Petroleum Co.	#4 Howe Savings Bank, Bartlesville, Okla 74004
If well produces oil or liquids, give location of tanks.	Is gas actually connected? When?
Unit Sec. Twp. Rge.	3-28-84

If this production is commingled with that from any other lease or pool, give commingling order number

COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Some Rea'v.	Diff. F
Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.					
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth					
Perforations	Depth Casing Shoe							
TUBING, CASING, AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT					

TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed top able for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MCF	Gravity of Condensate
Testing Method (spiral, back pr.)	Tubing Pressure (Shot-in)	Casing Pressure (Shot-in)	Choke Size

CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Diane J. Hall
(Signature)

Production Clerk

(Title)

May 10, 1984

(Date)

OIL CONSERVATION DIVISION

APPROVED 5/24 1984

BY Harry Brooks
Geologist

TITLE

This form is to be filed in compliance with RULE 1104. If this is a request for allowable for a newly drilled or deep well, this form must be accompanied by a tabulation of the down hole tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for a well on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of or well name or number, or transporter, or other such change of conditions.

Separate Forms C-104 must be filed for each pool in multi-ported wells.

All distances must be from the outer boundaries of the Section.

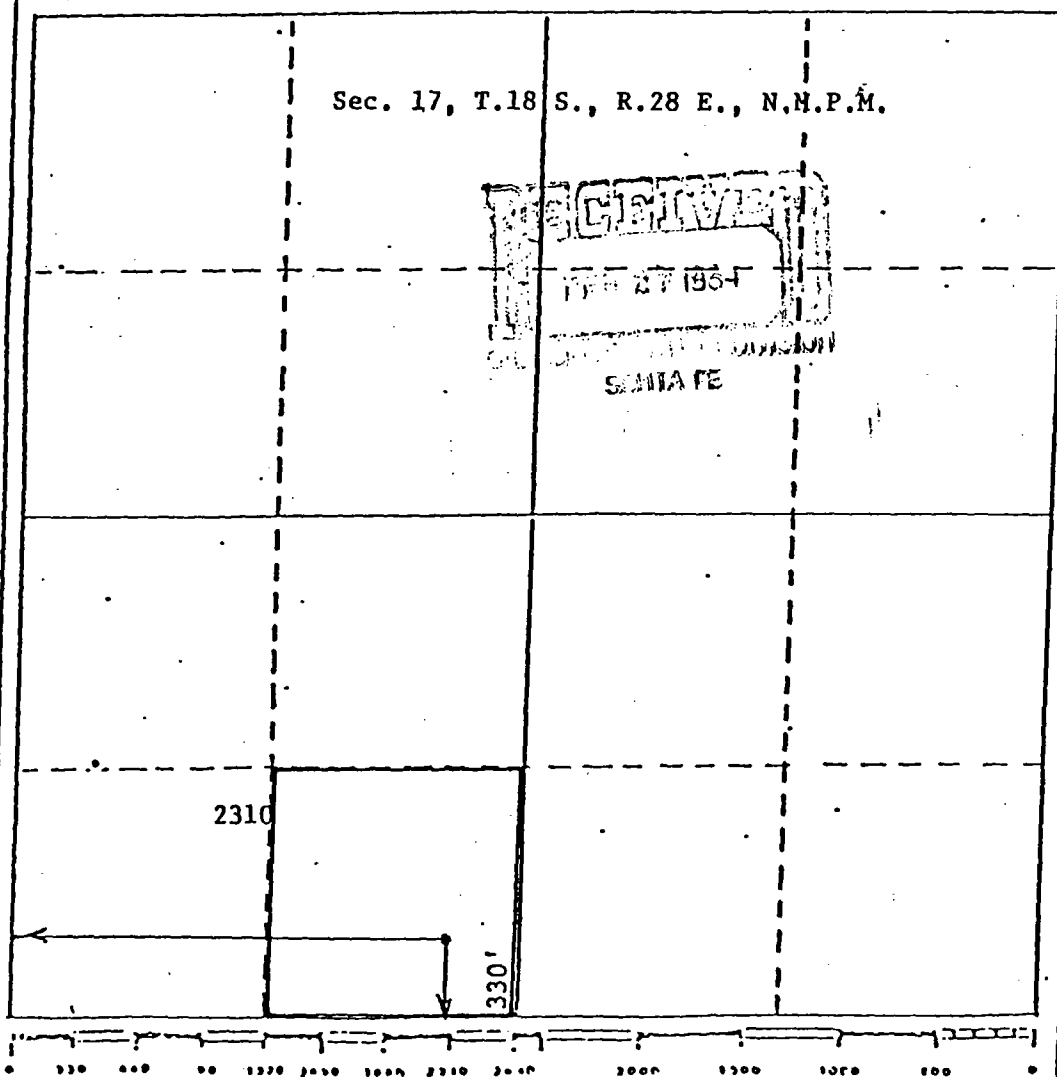
Operator Collier Energy, Inc. Collier & Collier		Lease Gilmore State		Well No. # 2
Unit Letter N	Section 17	Township 18 South	Range 28 East	County Eddy
Actual Postage Location of Well: 330 feet from the South line and 2310 feet from the West line				
Ground Level Elev. 3607	Producing Formation San Andres	Pool Artesia Queen GR SA	Dedicated Acres 40	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Divi



CERTIFICATION

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

Name
Dickie J. Lee
Position
Production Clerk
Company
Collier & Collier
Collier Energy, Inc.
Date
June 14, 1983

I hereby certify that the well location shown on this plat was plotted from notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
June 11, 1983
Registered Professional Engineer and/or Land Surveyor
Harold Kersey, PE & LS
Certificate No.
802

All distances must be from the outer boundaries of the Section.

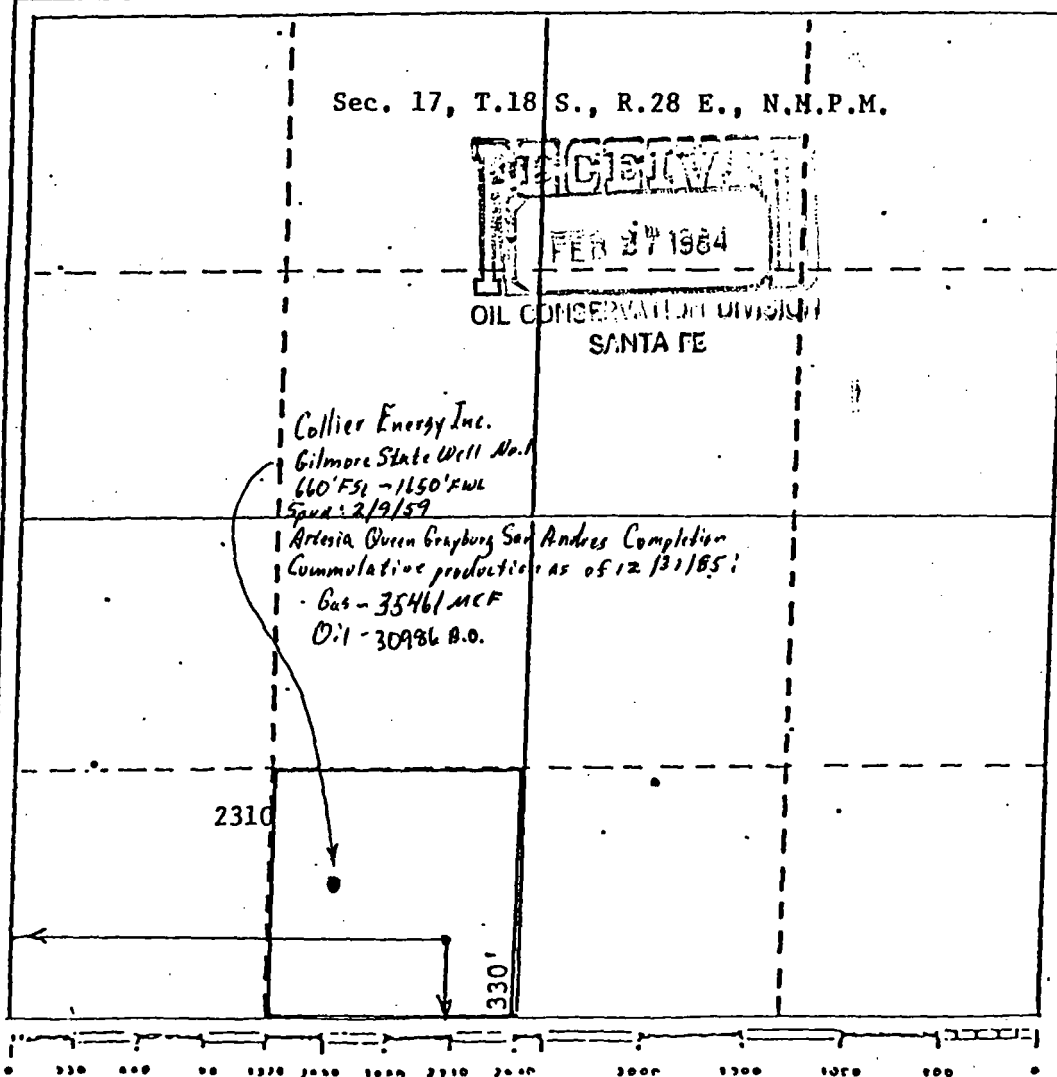
Operator Collier Energy, Inc. Collier & Collier			Lease Gilmore State		Well No. 2
Unit Letter N	Section 17	Township 18 South	Range 28 East	County Eddy	
Actual Postage Location of Well: 330 feet from the South line and 2310 feet from the West line					
Ground Level Elev. 3607	Producing Formation San Andres		Pool Artesia Queen GR SA		Dedicated Acres 40

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
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☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

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

Name
Dianna J. ...
Position
Production Clerk
Company
Collier & Collier Collier Energy, Inc.
Date
June 14, 1983

I hereby certify that the well location shown on this plat was plotted from notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
June 11, 1983
Registered Professional Engineer and/or Land Surveyor
Harold Kersey
Harold Kersey, PE & LS
Certificate No.
802

RESERVOIR COMPARISONS - OFFSET WELLS - APPLICATION FOR SECTION 103 RESERVOIR CATEGORY

SUBJECT WELL Gilmore State #2

OPERATOR Collier and Collier

LOCATION 405 FSL & 2310 FWL, Sec.17, T-18S, R-28E

SPUD DATE 10/31/83 COMPLETION 11/23/83

FORMATION Grayburg

COMPLETION DEPTH 2500'

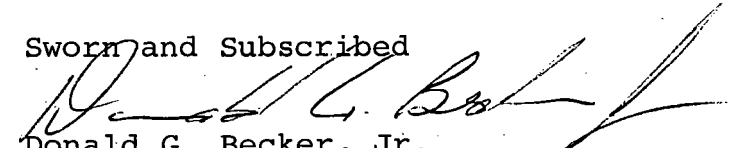
DATE FIRST SALES _____

Discussion Of The Subject Well

The Collier and Collier Gilmore State #2 was completed November 23, 1983 with perforations 2075-79, 2107-08, 2118-19, 2134-36, 2151-52, 2177-78, 2183-85, and 2228-30, one shot per foot, in the metex sands of the Grayburg. The Gilmore State #2 was drilled in the same proration unit (40 acres) as the Gilmore State #1. Using production information from the #1 well and adding reservoir and log information from the #2 well proves that 17 acres is all that is drained.

Therefore Collier and Collier's Gilmore State #2 is a new onshore production well which merits 103 gas.

Sworn and Subscribed

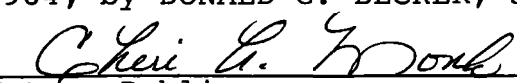

Donald G. Becker, Jr.
Production Geologist

STATE OF NEW MEXICO)

: ss.

COUNTY OF EDDY)

The foregoing was acknowledged before me this 20th day
of February, 1984, by DONALD G. BECKER, JR.



Notary Public

My Commission Expires:

March 29, 1986

RESERVOIR COMPARISONS - OFFSET WELLS - APPLICATION FOR SECTION 103 RESERVOIR CATEGORY

SUBJECT WELL Gilmore State #2

OPERATOR Collier and Collier

LOCATION 405 FSL & 2310 FWL, Sec.17, T-18S, R-28E

SPUD DATE 10/31/83 COMPLETION 11/23/83

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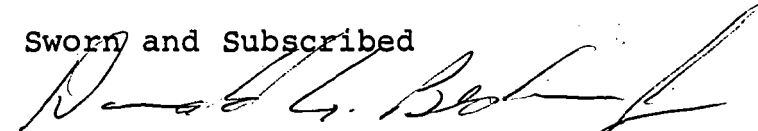
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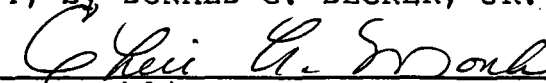
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Donald G. Becker, Jr.
Production Geologist

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