

New Mexico

District I - (505) 393-6161  
1625 N. French Dr  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

Energy, Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

SUBMIT ORIGINAL  
PLUS 2 COPIES  
TO THE SANTA FE  
OFFICE

DEC - 6 1999

APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Cross Timbers Operating Co. 2700 Farmington Avenue, Building K, Suite 1 Farmington, New Mexico 87401							OGRID Number 167067		
Contact Party Loren Fothergill							Phone 505-324-1090		
Property Name Stanolind D					Well Number 2		API Number 30-045-29775		
UL O	Section 17	Township 32N	Range 12W	Feet From The 600'	North/South Line FSL	Feet From The 1350'	East/West Line FEL	County SAN JUAN	

II. Date/Time Information

Spud Date 07/19/99	Spud Time 8:00 PM	Date Completed 11/02/99	Pool BASIN FRUITLAND COAL
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III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of New Mexico )

ss.

County of San Juan )

Loren W. Fothergill, being first duly sworn, upon oath states:

1. I am the Operator, or authorized representative of the Operator, of the above-referenced well.
2. To the best of my knowledge, this application is complete and correct.

Signature Loren W. Fothergill Title Production Engineer Date 11/30/99

SUBSCRIBED AND SWORN TO before me this 30 day of November, 1999

Notary Public

My Commission expires: 6/10/03

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>[Signature]</u>	Title <u>P.E. Spec.</u>	Date <u>JAN 03 2000</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 1/4/00

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVZV2007334387

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

NM 019414

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Stanolind Gas Com D #2

9. API WELL NO.

30-045-29775

10. FIELD AND POOL, OR WILDCAT

Basin Fruitland Coal

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA12. COUNTY OR  
PARISH

San Juan

13. STATE

NM

1a. TYPE OF WELL:

OIL  
WELL ☐GAS  
WELL ☒DRY ☐

Other

b. TYPE OF COMPLETION:

NEW  
WELL ☒WORK  
OVER ☐DEEP-  
EN ☐PLUG  
BACK ☐DIFF.  
RESVR ☐

Other

2. NAME OF OPERATOR

Cross Timbers Operating Company

3. ADDRESS AND TELEPHONE NO.

2700 Farmington Ave., Bldg. K. Ste 1 Farmington, NM 87401 505 324-1090

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*

At surface

600' FSL &amp; 1350' FEL SEC 17, T32 N, R 12 W

At top prod. interval reported below

At total depth

14. PERMIT NO.

DATE ISSUED

15. DATE SPUDDED

7/19/99

16. DATE T.D. REACHED

7/24/99

17. DATE COMPL.(Ready to prod.)

11/2/99

18. ELEVATIONS (DF, RKB, RT, CR, ETC.)\*

5,989' GL

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD &amp; TVD

2,041'

21. PLUG, BACK T.D., MD &amp; TVD

22. IF MULTIPLE COMPL.,  
HOW MANY\*23. INTERVALS  
DRILLED BY

ROTARY TOOLS

0-2,041'

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*

1,600' -1,803'

25. WAS DIRECTIONAL  
SURVEY MADE

Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN

27. WAS WELL CORED

No

## CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9-5/8"	32.3#	139'	12-1/4"	Surf 107 cuft C1 B cmt	
7"	23#	2,041'	8-3/4"	Surf. 658.6 cuft C1 b cmt	

LINER RECORD				TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)
					2-7/8"	1,839'

31. PERFORATION RECORD(Interval, size and number)

1,600'-05', 1,611'-20' &amp; 1,660'-76' 4 JSPF 0.43"

1,776'-1,803' 4 JSPF 0.43" diam

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
1,600'-76'	83,832 qals gel, 145,852# 16/30sd
1,776'-1,803'	78,792 qals gel, 143,800# 16/30sd

33.\*

## PRODUCTION

DATE FIRST PRODUCTION

PRODUCTION METHOD(Flowing, gas lift, pumping - size and type of pump)

WELL STATUS (Producing or  
shut-in) Pumping

DATE OF TEST

11/11/99

HOURS TESTED

CHOKE SIZE

PROD'N. FOR  
TEST PERIOD

OIL - BBL

GAS - MCF

WATER - BBL

GAS - OIL RATIO

FLOW, TUBING PRESS.

202 psig Pump

CASING PRESSURE

500 psig SI

CALCULATED  
24-HOUR RATE

OIL - BBL

GAS - MCF

WATER - BBL

OIL GRAVITY - API (CORR.)

34. DISPOSITION OF GAS(Sold, used for fuel, vented, etc.)

To be sold

TEST WITNESSED BY

Loren W. Fothergill

5. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Loren W. Fothergill

TITLE

Operations Engineer

\*(See Instructions and Spaces for Additional Data on Reverse Side)

NOV 12 1999

DATE 11/12/99

FARMINGTON FIELD OFFICE  
BY

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

REC'D / SAN JUAN  
AUG 06 1999

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.

RECEIVED  
BLM

99 JUL 27 AM 10:10

SUBMIT IN TRIPLICATE - Other instructions on reverse side

070 FARMINGTON, NM

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
Cross Timbers Operating Company

3a. Address 2700 Farmington Ave.,  
Bldg K, Suite 1, Farmington, NM 87401

3b. PhoneNo. (include area code)  
505/324-1090

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
600' FSL & 1350' FEL, Sec. 17, T32N, R12W  
Unit Ltr 0

5. Lease Serial No.

NM-019414

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
Stanolind Gas  
Com D #2

9. API Well No.  
30-045-29775

10. Field and Pool, or Exploratory Area  
Fruitland Coal

11. County or Parish, State  
San Juan Co. NM

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

TYPE OF SUBMISSION

- ☐ Notice of Intent  
☒ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- |   |   |  |   |
|---|---|--|---|
| <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                       |
| <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation               | <input type="checkbox"/> Well Integrity                       |
| <input type="checkbox"/> Casing Repair        | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete                | <input checked="" type="checkbox"/> Other Spud and all casing |
| <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 approximated duration thereof. If the proposal is to deepen directionally or recompleat 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 recompleat 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 final site is ready for final inspection.)

MIRU RT. Spudded 12-1/4" hole @ 8:00 pm (MDT), 7/19/99. Drld to 144'. RU & ran 9-5/8", 32.3, H-40, STC csg & set @ 139'. RU Cementers, Inc. & cmt'd csg w/90 sx Cl B cmt w/3% CaCl<sub>2</sub>, 1/4#/sx celloflake (15.6 ppg, 1.19 cuft/sx). Total slurry vol 107 cuft. Disp cmt w/7.8 bbls of FW. PD @ 7:00 am, 7/20/99. Bumped plug to 500 psig (400 psig over final disp press). Float held. Circ 37 sx cmt to surf. WOC 12 hrs. NU WH & BOP. Tst'd BOP to 1000 psig, OK. TIH w/8-3/4" bit & drld out cmt. Drld formation to 2,041'. RU & ran 7", 23#, J-55, STC csg & set @ 2,041'. RU Dowell Schlumberger & cmt'd w/155 sx Cl B cmt w/2% D-79, 1/4#/sx celloflake, 2% S-1 (11.4 ppg, 2.87 cuft/sx), followed w/125 sx Cl B cmt w/2% D-79, 1/4#/sx celloflake, 2% CaCl<sub>2</sub> (1.5 ppg, 1.71 cuft/sx). Disp csg w/79 BFW. PD @ 11:30 am, 7/24/99. Bumped plug to 850 psig (320 psig over final disp press). Float held. Circ 45 sx cmt to surf. Good rtns throughout. ND BOP, set slips & cut off csg. Cleaned & jetted pits. Rel rig @ 7:30 pm (MDT), 7/24/99. WO completion.

APD/ROW

Administrative Order NSL-4223

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Bobby L. Smith

Title

Drig/Operations Manager

Date 7/26/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

ACCEPTED FOR RECORD

JUL 30 1999

FARMINGTON FIELD OFFICE

# CROSS TIMBERS GROUP INTEREST MEMO

REC'D / MIDLAND

AUG - 3 1999

Distribution: Ken Staab Bennie Kniffen Mark Stevens Terry Schultz Pat Benson	Mary Coughran Scott Clair Joy Webster Dave Schroeder Kelly Stinnett	Tim Plue Melanie Ramirez Oklahoma City/Midland Terry Reid/Jean Ann Dobbs Bill Manning	Well File File Book <u>J. Stadulis/R. Tracy</u> Don Barton Shirley Ottinger
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Date Prepared July 13, 1999 Well Name Stanolind Gas Com D #2

Lease Number 861-1028-00 plus Burlington Well Number To be assigned  
 & Murchison Lease No. - to be assigned

Orig Memo ☒ Supp Memo ☐

*Handwritten notes:*  
 LAM ✓  
 GM ✓  
 KG ✓  
 LWF ✓  
 WF ✓

## LOCATION DATA

Location S/2 Section 17-T32N-R12W San Juan County, New Mexico  
 Section/Township(Blk)/Range(Svy) County/State  
 Exact Well Spot 600' FSL & 1350' FEL  
 Type of Deal (Rework, New Well, F/O, Support, etc.) New Well

## WELL OWNERSHIP

### WORKING INTEREST %

### NET REVENUE INTEREST %

	BPO	APO	BPO	APO
Operator & Address				
Cross Timbers Oil Company	74.82900%	71.05335%	61.21204%	56.31470%
Non-Operators: Address if CTOC Operator				
Burlington Resources Oil & Gas Company	0	3.77565%	0.12585% ORRI	2.27011%
J. Glenn Turner, Jr.	2.39125%	2.39125%	1.69928%	1.43774%
John L. Turner	2.39125%	2.39125%	1.69928%	1.43774%
Fred E. Turner	2.39124%	2.39124%	1.69927%	1.43773%
Mary Frances Turner Trust	2.39124%	2.39124%	1.69927%	1.43773%
Betty Turner Calloway	2.39124%	2.39124%	1.69927%	1.43773%
Schultz Management Ltd.	6.29275%	6.29275%	4.47178%	3.78352%
Henrietta E. Schultz, Trustee	6.29275%	6.29275%	4.47178%	3.78352%
William G. Webb	0.62928%	0.62928%	0.44718%	0.37835%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>		

W.I. should be carried to 5 places and should total 100%

## DEAL

AFE # 98736

Burlington elected to farmout its unit interest of 12.5855% WI/8.94357% NRI BPO (7.56703% NRI APO) and retained a 1.00% ORRI convertible to a 30% WI APO, proportionately reduced to the unit. Burlington owns 25% of SW/4. Please note that if Burlington elects to convert ORRI APO we will be subject to two (2) JOAs - Burlington's JOA has different OH rates. Attached are requirements CTOC must follow pursuant to the terms of the Farmout Agreement. Murchison sold CTOC their leasehold interest from the surface to the base of the Pictured Cliffs for \$100/acre.

NRI based on sliding scale of 1/8 on 49.658% of unit. Scale is as follows: 1/8 - 0 to 5,000,000 CFGPD; 1/6 - over 5,000,00 CFGPD

CTOC interest derived as follows:

Acquisition	WI	BPO	NRI	WI	APO	NRI
Amoco	49.658%		43.45075%	49.65800%		43.45075%
Burlington Farmin	12.5855%		8.81772%	8.80985%		5.29692% (Burlington's NRI decreases APO) <sup>1</sup>
Murchison Purchase	12.5855%		8.94357%	12.58550%		7.56703% (Murchison's NRI decreases APO) <sup>1</sup>
<b>TOTAL</b>	<b>74.8290%</b>		<b>61.21204%</b>	<b>71.05335%</b>		<b>56.31470%</b>

<sup>1</sup> The Burlington and Murchison interests, along with all of the non-operators, are also subject to an ORRI that doubles after payout.