

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



*Torch  
Cooper Jul Unit 501-509  
5560*

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication  
 NSL  NSP  SD
- Check One Only for [B] or [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
- [D] Other: Specify \_\_\_\_\_
- [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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

\_\_\_\_\_  
 Print or Type Name                      Signature                      Title                      Date

\_\_\_\_\_  
 e-mail Address

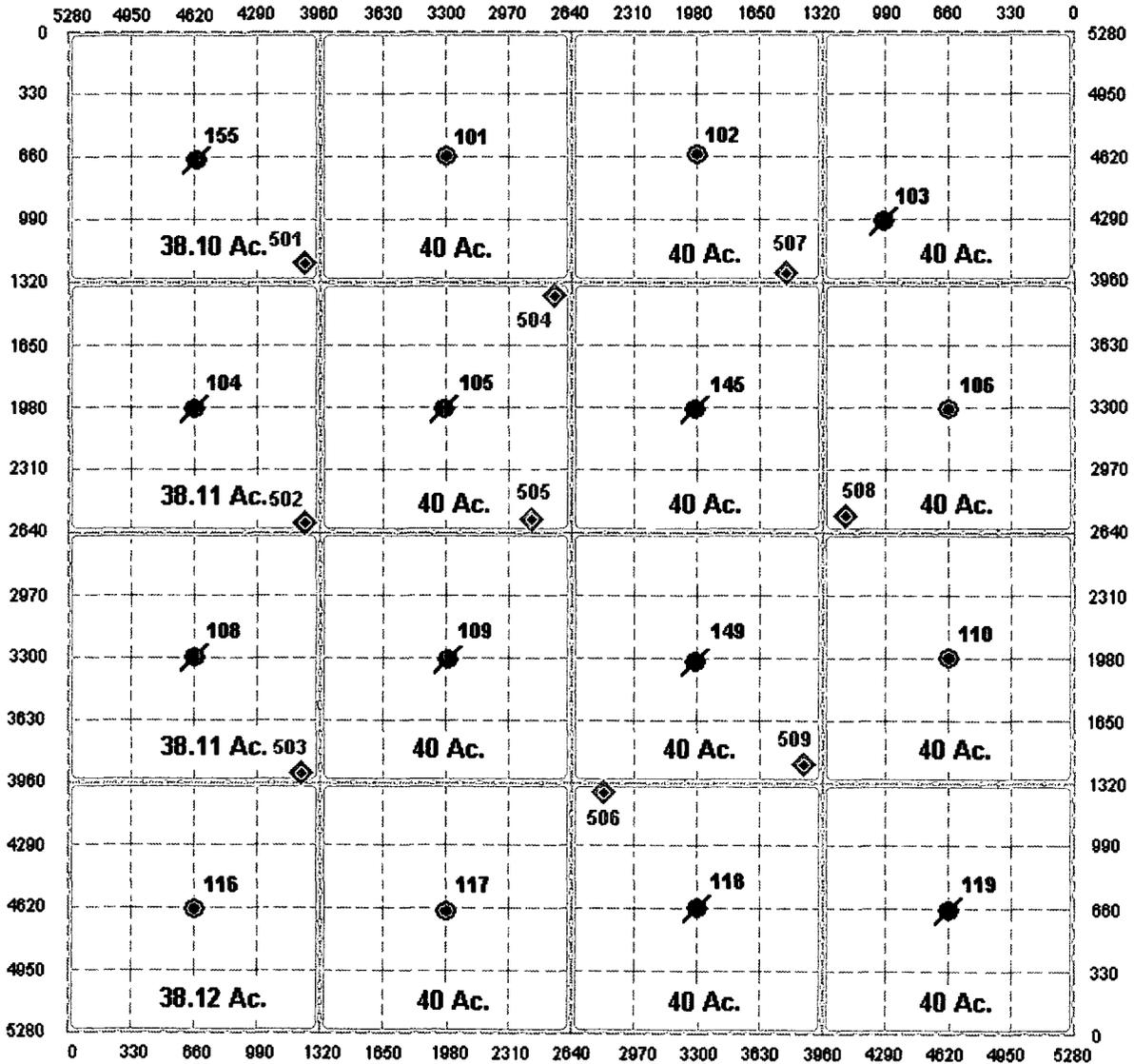
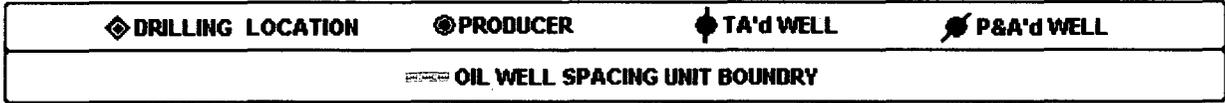
# EXHIBIT #1

## COOPER JAL UNIT

### SECTION 18, T-24-S, R-37-E, NMPM

### LEA COUNTY, NM

### 2006 - 2007 DRILLING LOCATIONS



TORCH ENERGY SERVICES, INC.

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1301 W. Grand Ave., Artesia, NM 88210

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

DISTRICT IV  
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease-4 copies  
Fee Lease-3 copies

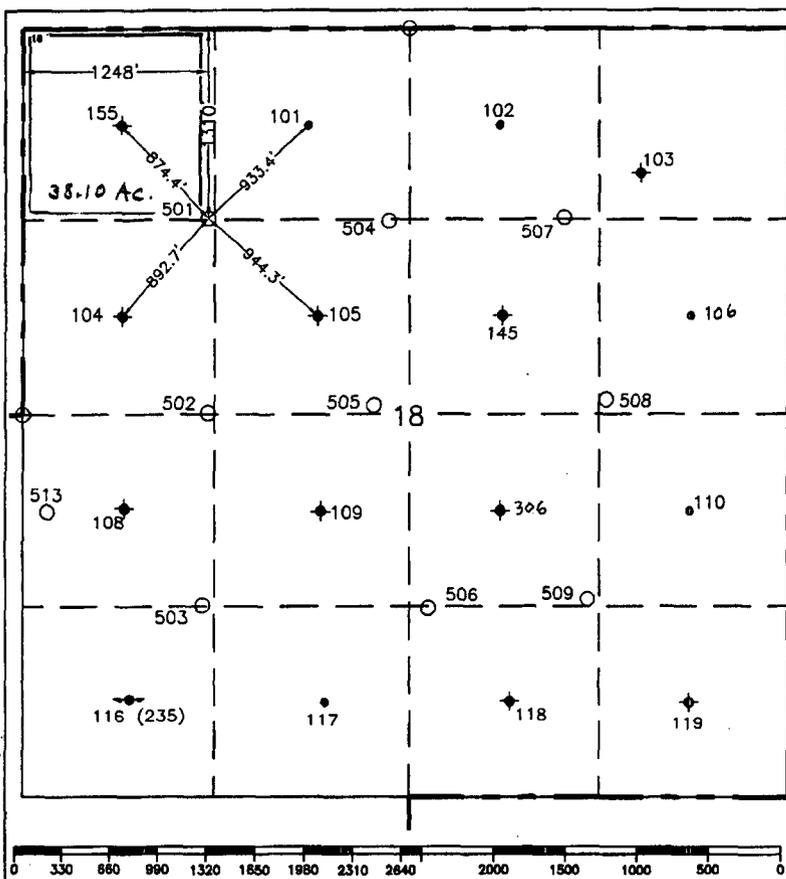
OIL CONSERVATION DIVISION  
1220 South St. Francis Drive  
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name		
				Jalmat; Langlie Mattix		
4 Property Code		5 Property Name			6 Well Number	
		Cooper Jal Unit			501	
7 GRID No.		8 Operator Name			9 Elevation	
193003		TORCH ENERGY SERVICES, INC.			3300'	
10 Surface Location						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line	Feet from the East/West line
D	18	24-S	37-E		1310' North	1248' West
11 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
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.
40						

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.



17 OPERATOR CERTIFICATION  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jim Kidd* 10/30/06  
Signature Date

Jim Kidd  
Printed Name

18 SURVEYOR CERTIFICATION  
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 knowledge and belief.

September 19 & 21, 2006  
Date of Survey

Signature & Seal of Professional Surveyor:  
*John P. ...*

Certificate No.  
7254

○ = Staked Location    ● = Producing Well    ● = Injection Well    ○ = Water Supply Well    ◆ = Plugged & Abandon Well  
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C.    ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing	445982.02	Easting	889871.59
Latitude	32°13'15.803"	Longitude	103°12'22.701"
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File	Field Book		
Coop_Jal.Dwg	LEA #24, Pg. 1		

DISTRICT I  
1825 N. French Dr., Hobbs, NM 88240

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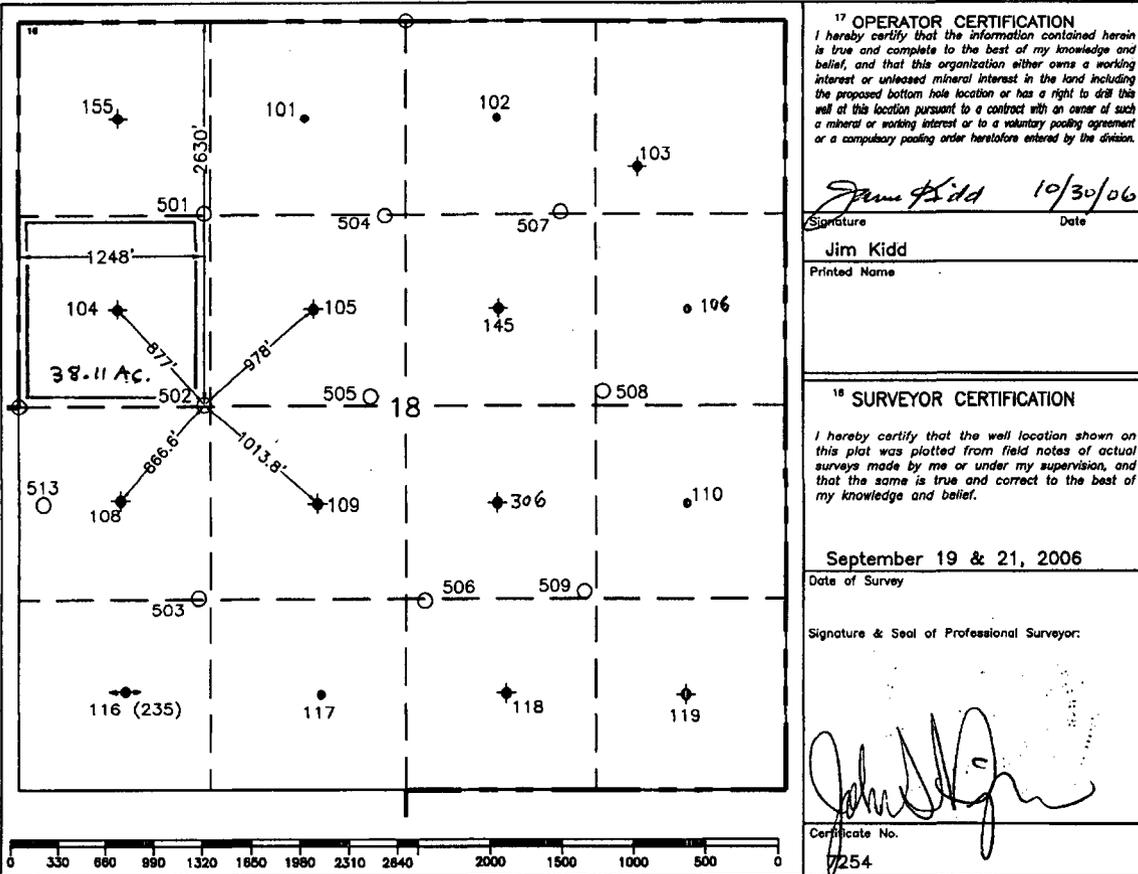
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name			
				Jalmat; Langlie Mattix			
4 Property Code		5 Property Name			6 Well Number		
		Cooper Jal Unit			502		
7 OGRID No.		8 Operator Name			9 Elevation		
193003		TORCH ENERGY SERVICES, INC.			3300'		
10 Surface Location							
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line	Feet from the East/West line	7 County
E	18	24-S	37-E		2630'	1248.9'	West Lea
11 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	7 County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.	
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*Jim Kidd* 10/30/06  
Signature Date

Jim Kidd  
Printed Name

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September 19 & 21, 2006  
Date of Survey

Signature & Seal of Professional Surveyor:

*John A. ...*  
Certificate No. 7254

- = Staked Location    ● = Producing Well    ◐ = Injection Well    ◑ = Water Supply Well    ✕ = Plugged & Abandon Well
- ⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C.    ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 444662.08		Easting 889888.26	
Latitude 32°13'02.741"		Longitude 103°12'22.668"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File		Field Book	
Coop_Jal.Dwg		LEA #24, Pg. 2	

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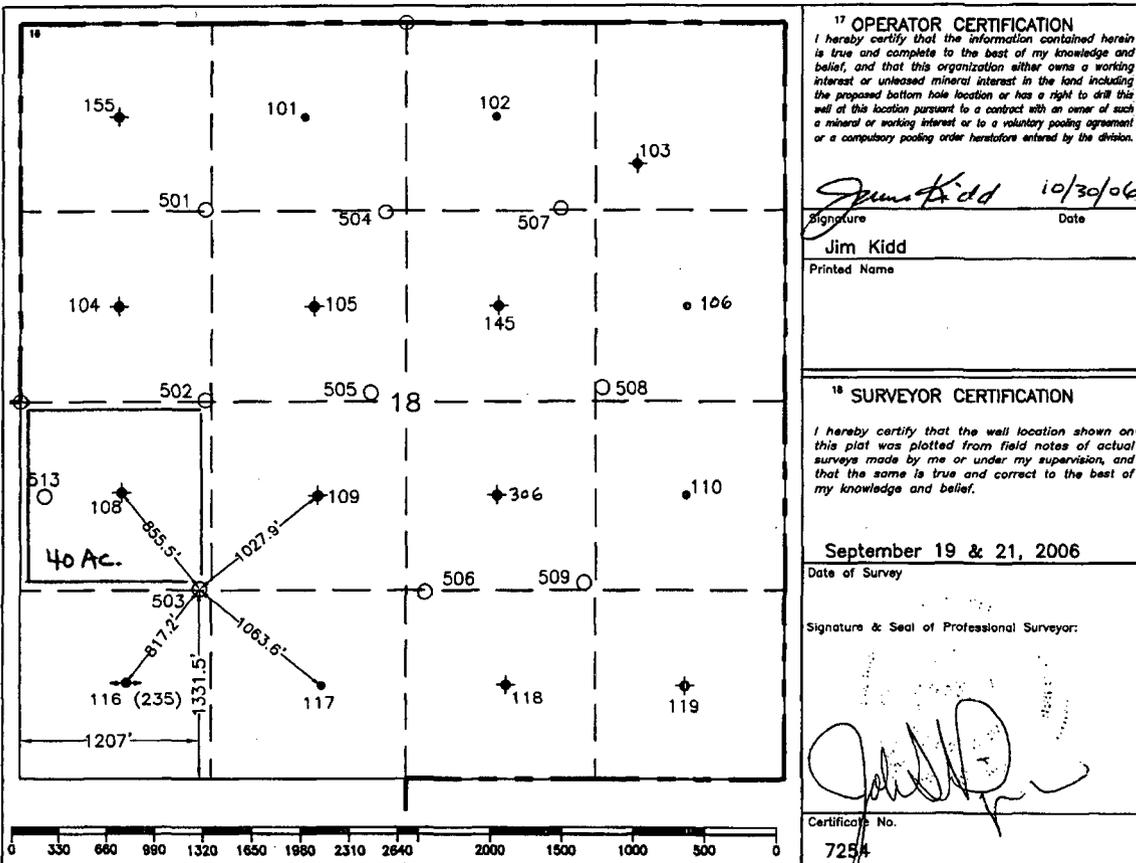
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
				Jalmat; Langlie Mattix					
4 Property Code		5 Property Name			6 Well Number				
		Cooper Jal Unit			503				
7 GRID No.		8 Operator Name			9 Elevation				
193003		TORCH ENERGY SERVICES, INC.			3305'				
10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	18	24-S	37-E		1331.5'	South	1207'	West	Lea
11 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
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			
40									

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.



○ = Staked Location   • = Producing Well   ● = Injection Well   ◊ = Water Supply Well   ◆ = Plugged & Abandon Well  
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C.   ○ = Found /4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing	443340.21	Easting	889865.03
Latitude 32°12'49.665"		Longitude 103°12'23.099"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File		Field Book	
Coop_Jal.Dwg		LEA #24, Pg. 3	

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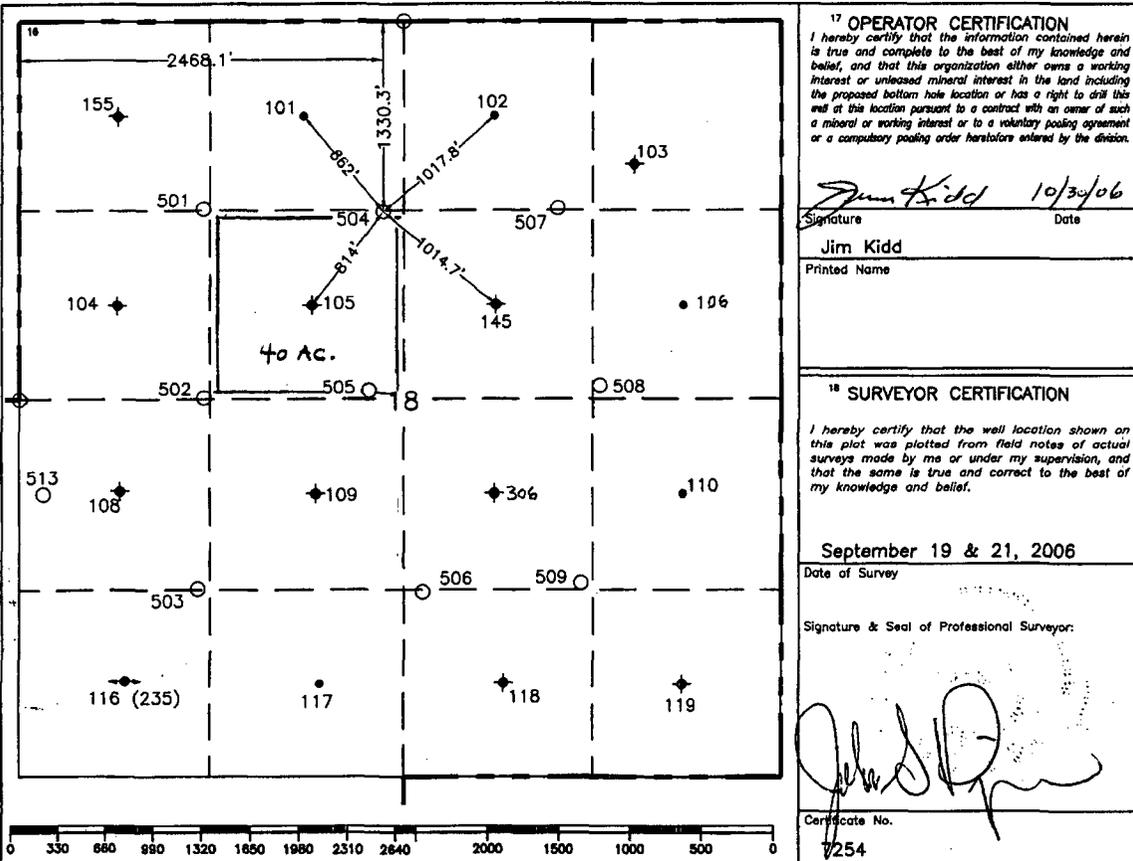
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AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name		
				Jalmat; Langlie Mattix		
<sup>4</sup> Property Code		<sup>5</sup> Property Name			<sup>6</sup> Well Number	
		Cooper Jal Unit			504	
<sup>7</sup> GRID No.		<sup>8</sup> Operator Name			<sup>9</sup> Elevation	
193003		TORCH ENERGY SERVICES, INC.			3296'	
<sup>10</sup> Surface Location						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line	Feet from the East/West line
F	18	24-S	37-E		1330.3'	2468.1'
<sup>11</sup> 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
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.
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**ADDITIONAL INFORMATION ON THE LOCATION**

State Plane Coordinates			
Northing	445977.02	Easting	891091.90'
Latitude	32°13'15.626"	Longitude 103°12'08.498"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File	Field Book		
Coop_Jal.Dwg	LEA #24, Pg. 4		



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WELL LOCATION AND ACREAGE DEDICATION PLAT

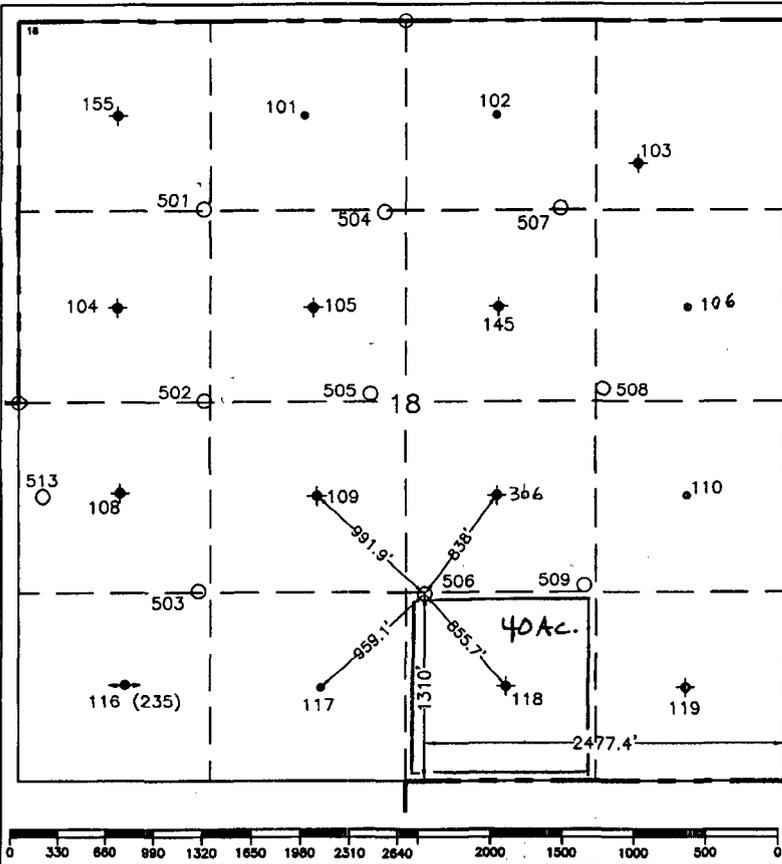
<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Jalmat; Langlie Mattix	
<sup>4</sup> Property Code		<sup>5</sup> Property Name Cooper Jal Unit			<sup>6</sup> Well Number 506
<sup>7</sup> GRID No. 193003		<sup>8</sup> Operator Name TORCH ENERGY SERVICES, INC.			<sup>9</sup> Elevation 3329'

<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	<sup>7</sup> County
0	18	24-S	37-E		1310'	South	2477.4'	East	Lea

<sup>11</sup> 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	<sup>7</sup> County

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-------------------------------------	-------------------------------	----------------------------------	-------------------------

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*Jim Kidd* 10/30/06  
Signature Date  
Jim Kidd  
Printed Name

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September 19 & 21, 2006  
Date of Survey  
Signature & Seal of Professional Surveyor:

*[Signature]*  
Certificate No.  
7254

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ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 443338.31		Easting 891394.95	
Latitude 32°12'49.487"		Longitude 103°12'05.294"	
Zone North American Datum	Combined Grid Factor	Coordinate File	
East 1983/86	0.99988900	Coop_Jal.Crd	
Drawing File Coop_Jal.Dwg	Field Book LEA #24, Pg. 6		

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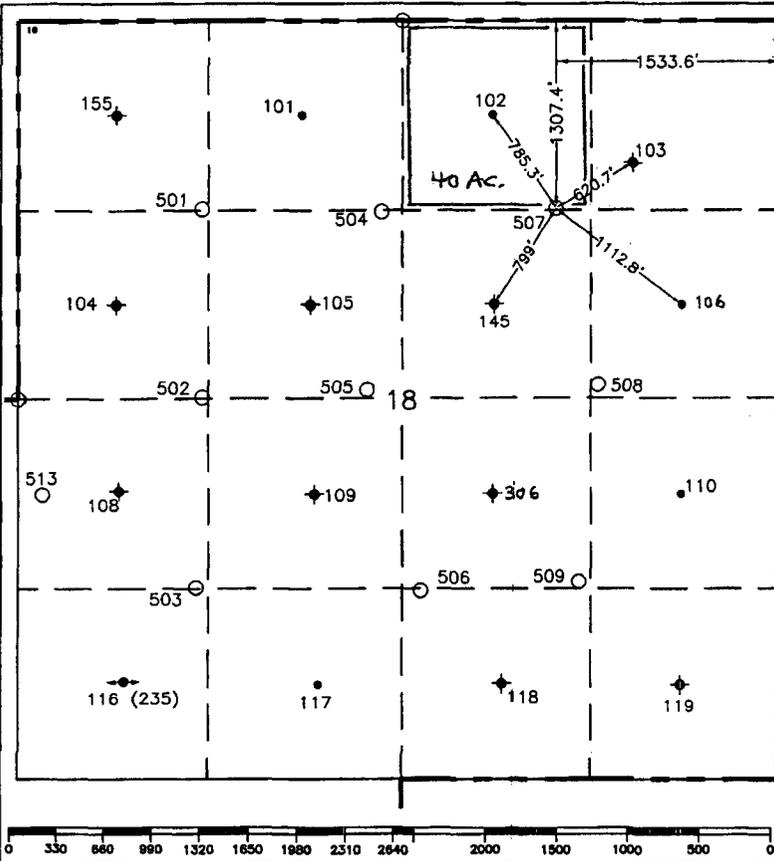
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				Jalmat; Langlie Mattix			
4 Property Code		5 Property Name			6 Well Number		
		Cooper Jal Unit			507		
7 OGRID No.		8 Operator Name			9 Elevation		
193003		TORCH ENERGY SERVICES, INC.			3291'		
10 Surface Location							
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line	Feet from the East/West line	County
B	18	24-S	37-E		1307.4'	1533.6'	Lea
11 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
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*[Signature]*

Certificate No. 7254

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ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 446015.04		Easting 892307.00	
Latitude 32°13'15.876"		Longitude 103°11'54.351"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File		Field Book	
Coop_Jal.Dwg		LEA #24, Pg. 7	

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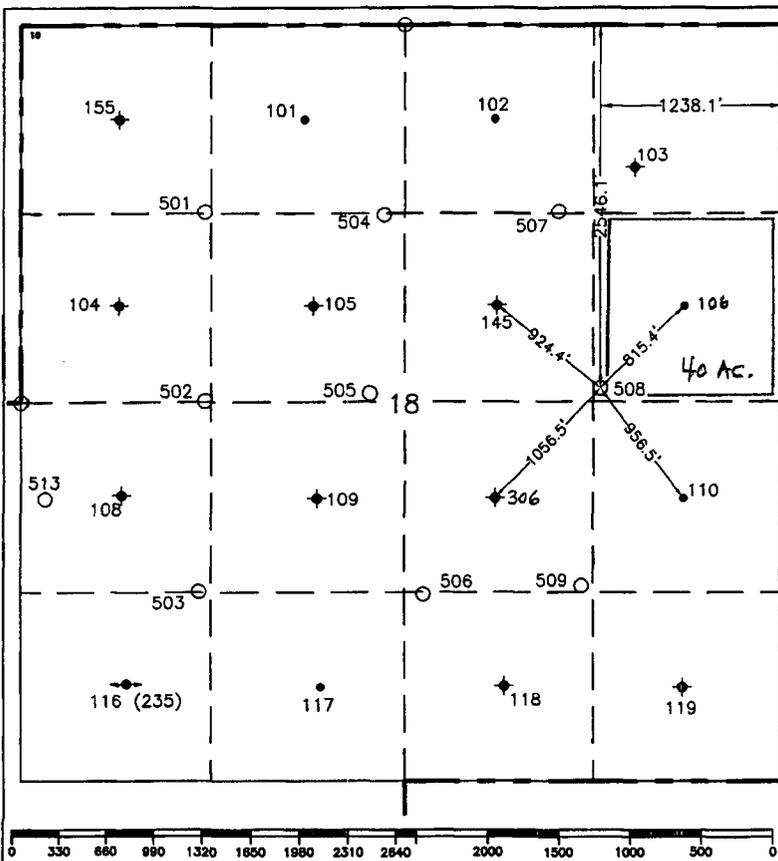
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		Cooper Jal Unit			508		
7 OGRID No.		8 Operator Name			9 Elevation		
193003		TORCH ENERGY SERVICES, INC.			3297'		
10 Surface Location							
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line	Feet from the East/West line	7 County
H	18	24-S	37-E		2546.1'	1238.1'	Lea
11 Bottom Hole Location If Different From Surface						7 County	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line	Feet from the East/West line	7 County
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⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 444780.10		Easting 892617.15	
Latitude 32°13'03.625"		Longitude 103°11'50.893"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File		Field Book	
Coop_Jal.Dwg		LEA #24, Pg. 8	

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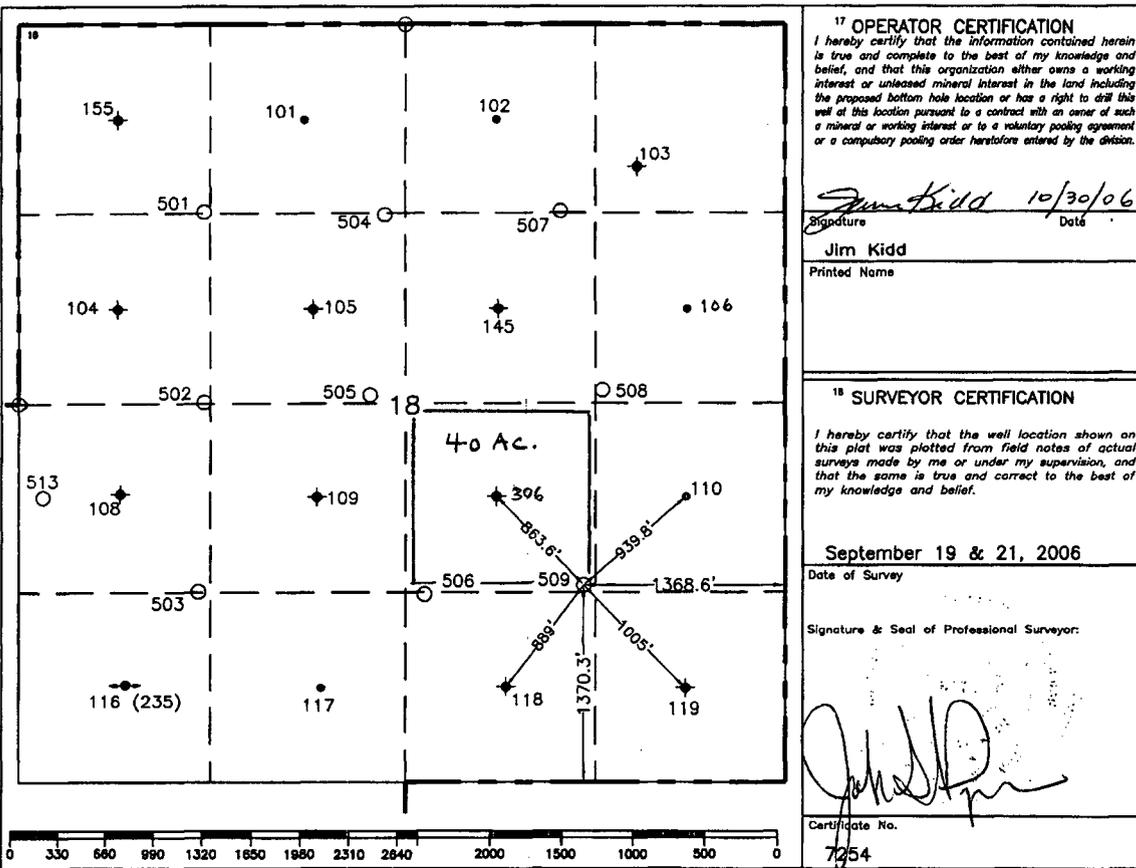
Submit to Appropriate District Office  
State Lease-4 copies  
Fee Lease-3 copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name				
				Jalmat; Langlie Mattix				
<sup>4</sup> Property Code		<sup>5</sup> Property Name			<sup>6</sup> Well Number			
		Cooper Jal Unit			509			
<sup>7</sup> GRID No.		<sup>8</sup> Operator Name			<sup>9</sup> Elevation			
193003		TORCH ENERGY SERVICES, INC.			3299'			
<sup>10</sup> Surface Location								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the North/South line	Feet from the East/West line	East/West line	County
J	18	24-S	37-E		1370.3'	1368.6'	East	Lea
<sup>11</sup> 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	East/West line	County
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.		
40								

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.



<sup>17</sup> OPERATOR CERTIFICATION  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jim Kidd* 10/30/06  
Signature Date

Jim Kidd  
Printed Name

<sup>18</sup> SURVEYOR CERTIFICATION  
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 knowledge and belief.

September 19 & 21, 2006  
Date of Survey

Signature & Seal of Professional Surveyor:  
*Jim Kidd*

Certificate No.  
7254

○ = Staked Location • = Producing Well ★ = Injection Well ◊ = Water Supply Well ◆ = Plugged & Abandon Well  
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing	443412.72	Easting	892502.95
Latitude	32°12'50.108"	Longitude	103°11'52.390"
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File	Coop_Jal.Dwg	Field Book	LEA #24, Pg. 9



**TORCH**  
*Energy Services, Inc.*

2600 W I-20 Odessa, TX 79763  
Phone: 432-580-8500 Fax: 432-580-8501

January 18, 2007

**CJU – STATE AND LOCAL GOVERNMENTS**

Request for Unorthodox Locations

Cooper Jal Unit (Property Code 302966)

Well Nos. 501, 502, 503, 504, 505, 506, 507, 508 & 509

Wells are in Section 18, T-24-S, R-37-E, NMPM

Jalmat and Langlie-Mattix Pools

Lea County, New Mexico

State of New Mexico

Energy and Minerals Department

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

**Attention:** Mr. David K. Brooks, Assistant General Counsel

Sir:

We submit this letter request in order to correct and clarify our letter of January 8, 2007. This previous letter requested the approval of the Unorthodox well locations for our Cooper Jal Unit wells 501 through 509.

The waterflood in the Cooper Jal Unit was authorized for the Jalmat Pool by Order R-4020 and for the Langlie-Mattix Pool by Order R-4019. Some of the Unorthodox locations for wells drilled by the previous operator in the 1990s were authorized by NSL-3404, NSL-3480 and NSL-3488. 37240  
33820

By reference to a telephone conversation on January 18, 2007 between yourself and, Randy Ziebarth and Jim Kidd of Torch, we understand that we may place multiple oil wells within the same spacing unit in both the Jalmat and Langlie-Mattix Pools.

On this basis and referring to the attached Exhibit 1, we propose to dedicate the 501 through 509 wells as follows:

- New well 501 to the NW $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Section 18

- New well 502 to the SW $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Section 18
- New well 503 to the NW $\frac{1}{4}$  of the SW $\frac{1}{4}$  of Section 18
- New wells 504 and 505 to the SE $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Section 18
- New well 506 to the SW $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 18
- New well 507 and existing well 102 to the NW $\frac{1}{4}$  of the NE $\frac{1}{4}$  of Section 18
- New well 508 and existing well 106 to the SE $\frac{1}{4}$  of the NE $\frac{1}{4}$  of Section 18
- New well 509 to the NW $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 18

Well 503 will be on Federal minerals and wells 501, 502, 504, 505, 506, 507, 508 and 509 are on private land.

These locations have been chosen to allow us to recover the oil reserves in Section 18 of this active secondary recovery waterflood. Without these wells the reserves in this section will not be recovered.

We understand that if we will not be able to produce from any gas wells within gas units in this section simultaneously with these oil wells. We are prepared to shut-in these gas wells, if required. We believe these wells (101, 106 and 110) are oil wells and they will be re-tested.

We will not produce from the 501 through 509 wells until we receive the NSL approvals for these wells.

There are no "affected" offset operators to these wells. The production from all areas of the Cooper Jal Unit is shared on a uniform basis as provided for in the Unit Operating Agreement, section 18 is wholly within the Cooper Jal Unit and Torch is the Cooper Jal Unit operator.

Applications to downhole commingle the Jalmat Pool and the Langlie-Mattix Pool in each of these 500 series producers will be filed later.

Also attached are Survey Plats C-102 for each 500 series well and a lease plat showing the existing CJU wells.

Yours very truly,

Jim Kidd  
Production Engineer

Cc: NMOCD, 1625 N. French Dr., Hobbs, NM 88240



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

January 16, 2007

Mr. Jim Kidd  
Production Engineer  
Torch Energy Services, Inc.  
FAX No. 432-580-8501

**Re: NSL Applications  
Cooper Jal Unit Wells Nos 501-509  
Lea County**

Dear Mr. Kidd:

I have before me your letter of January 8, together with attachments, which we have treated as requesting administrative approval for non-standard locations for all of the referenced wells.

There are numerous problems with this application:

First, the application states that non-standard location approvals are requested for Wells nos 505, 507 and 508. Actually, the locations of all of the wells are non-standard in both the Jalmat and Langlie-Mattix Pools. Rule 3.A(1) of the Special Pool Rules for the Jalmat Gas Pool requires that oil wells assigned to 40-acre units be located at least 330 feet from any quarter/quarter sections line. Statewide Rule 104.B(1), applicable to the Langlie-Mattix Pool, imposes the same requirement.

Second, your request appears to contemplate assignment of 40-acre units including parts of two different quarter/quarter sections to each of Wells nos 505, 507 and 508. This is prohibited in the Jalmat Pool by Rule 2.B of the Special Pool Rules for the Jalmat Gas Pool, and in the Langlie-Mattix Pool by Statewide Rule 104.B(1). Furthermore, there is no authorization for the Division to issue administrative exceptions that would allow non-standard units to be configured as these are shown to be, unless these are survey anomalies, in which case you would need to furnish us with copies of official plats showing that the governmental surveys have configured lots in this manner.

Third, Rule 2.C of the Special Pool Rules for the Jalmat Gas Pool prohibits simultaneous dedication of the same acreage to both oil and gas wells in the Jalmat. This rule also is not subject to administrative exceptions. If the NE, NW and SE quarters of Section 18 are dedicated as 160-acre gas units, then this fact would preclude granting your application as to any of your proposed wells except the no. 503 in the SW quarter. The proposed locations for the 501, 502, 504, 506 and 509 could be approved if you requested, and the Division approved, 40-acre gas units for the identified gas wells. This could be done by administrative exception. The proposed locations for the 505, 507 and 508 could be approved only after a hearing.

Finally, the statement that 'There are no "affected" offset operators' is not sufficiently specific. If this entire section is included in the Cooper Jal Unit, Torch is the operator of that unit, and the Unit Agreement provides for sharing of production from all parts of the unit on a uniform basis, then no notice would be required for administrative NSL or NSP applications. However, we would need the application to state those facts specifically.

Because of the numerous difficulties with this application, OCD will not proceed further with it until you submit a modified proposal that conforms to applicable rules governing what can be done by administrative exception, as outlined above.

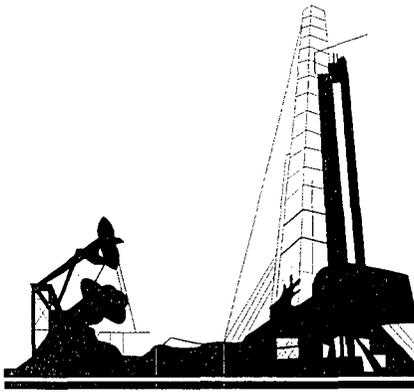
If you want to proceed with your plan as described in your letter and attachments, I recommend that you file an application for a hearing.

Should you have questions, please feel free to call the undersigned at (505)-476-3450.

Very truly yours,

A handwritten signature in black ink, appearing to read "David K. Brooks". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

David K. Brooks,  
Assistant General Counsel



TRANSMITTAL COVER SHEET

OIL CONSERVATION DIVISION  
1220 S. ST. FRANCIS DRIVE  
SANTA FE, NM 87505  
(505) 476-3440  
(505)476-3462 (Fax)

PLEASE DELIVER THIS FAX:

TO: Jim Kidd 432-580-8501

FROM: David Brooks

DATE: 1-16-2007

PAGES: 3

SUBJECT: Cooper Jal Unit Wells 501-509

IF YOU HAVE TROUBLE RECEIVING THIS FAX, PLEASE CALL THE OFFICE  
NUMBER ABOVE.

January 8, 2007

**CJU – STATE AND LOCAL GOVERNMENTS**

Request for 40 Acre Spacing Units and  
Request for Unorthodox Locations  
Cooper Jal Unit (Property Code 302966)  
Well Nos. 501, 502, 503, 504, 505, 506, 507, 508 & 509  
Wells are in Section 18, T-24-S, R-37-E, NMPM  
Jalmat and Langlie-Mattix Pools  
Lea County, New Mexico

State of New Mexico  
Energy and Minerals Department  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

**Attention:** The Engineering Committee

Gentlemen:

An application to assign approximately 40 Acre spacing units to the Cooper Jal Unit (CJU) wells 501, 502, 503, 504, 505, 506, 507, 508 and 509, by administrative approval, is requested, as per Rule 19.15.3.104(C)(3). It is also requested that if wells 505, 507 and 508 are in unorthodox locations, that an administrative exception to Rule 19.15.3.104(F)(1) be granted to wells 505, 507 and 508. See the attached Exhibit #1 which is a well map of the affected section 18.

These exceptions to Rule 19.15.3.104(C)(3) and Rule 19.15.3.104(F)(1) are requested for the efficient injection and production operations of these wells within the CJU, an active secondary recovery project (waterflood).

Wells 501 502, 504, 505, 506, 507, 508 and 509 are on private land and 503 is on Federal minerals. Exhibit #1 shows the 40-acre "oil" spacing units requested and the existing 160-acre "gas" spacing units for wells 101, 106 and 110.

The drilling applications to the OCD for wells 505, 507 and 508 have been filed and are currently under review. We have been told that CJU "gas" wells 101, 106 and 110 present a problem to the 505, 507 and 508 drilling applications.

The surface locations for wells 505, 507 and 508 were moved slightly from the on-pattern ideal locations to new locations due to the following surface obstructions:

- CJU 505 was moved 70 ft. to the north because of two existing pipelines with ROWs.
- CJU 507 was moved 214 ft. to the west because of the existing railroad tracks with a ROW.
- CJU 508 was moved 82 ft. to the east because of an existing pipeline with a ROW.

The CJU 101, 106 and 110 wells are “gas” wells due to their low oil production (November 2006 well tests are: #101 – 1 bopd, 2 bwpd, 17 mcf/d gas; #106 – 0 bopd, 1 bwpd, 21 mcf/d gas; #110 – 0 bopd, 4 bwpd, 6 mcf/d gas). These 3,800’ deep wells have been assigned 160-acre spacing units because of their “gas” well status. These “gas” wells are completed in a traditionally “oily” section of the Jalmat Pool and are probably lacking oil production because of an inadequate water drive from the waterflood and damaged/scaled-off oil completions. In the 1990s, the previous operator P&A’d wells that would have been used for water injection service in this section 18. There are currently no active water injectors in section 18. It is expected that all wells drilled and recompleted in section 18 in the CJU as producers, will produce enough oil to be classified as “oil” wells in the future.

The CJU 500 series wells must be drilled to these locations to ensure proper development on a 20-acre/well and a 40-acre/pattern spacing in order to recover the reserves in this established waterflood. These reserves will not be recovered with the current patterns and well spacing in this section 18.

Torch’s plans are to drill the 501 through 509 wells and to convert the existing section 18 producers to water injection service. Torch also intends to re-enter the P&A’d wells in section 18 and to place them into water injection service.

Each of these 500 series wells will be completed as oil wells in this waterflood, which encompasses the Jalmat Pool and the Langlie-Mattix Pool. It is expected that the Langlie-Mattix Pool (deeper Pool) will be waterflooded as well as the lower and middle parts of the Jalmat Pool. The gas cap, which may be present in the upper Jalmat Pool, will be avoided.

Applications to downhole commingle the Jalmat Pool and the Langlie-Mattix Pool in each of these 500 series producers will be filed later.

There are no “affected” offset operators to these wells.

Also attached are Survey Plats C-102 for each 500 series well and a lease plat showing the existing CJU wells.

Yours very truly,



Jim Kidd

Production Engineer

Cc: NMOCD, 1625 N. French Dr., Hobbs, NM 88240

- Well Name & Number: COOPER JAL UNIT No. 119  
Operator: ~~TEXACO EXPLORATION & PRODUCTION INC.~~

---

- 3002511145                    C-18-24S-37E                    660 FNL & 1980 FWL  
Well Name & Number: COOPER JAL UNIT No. 101  
Operator: ~~TORCH ENERGY SERVICES, INC.~~ } Gas

---

- 3002511146                    D-18-24S-37E                    660 FNL & 660 FWL  
Well Name & Number: COOPER JAL UNIT No. 155  
Operator: TEXACO EXPLORATION & PRODUCTION INC

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- 3002511147                    F-18-24S-37E                    1980 FNL & 1980 FWL  
Well Name & Number: COOPER JAL UNIT No. 105  
Operator: CHEVRON U S A INC

---

- 3002538180                    D-18-24S-37E                    1310 FNL & 1248 FWL  
Well Name & Number: COOPER JAL UNIT No. 501  
Operator: TORCH ENERGY SERVICES, INC.

---

- 3002538188                    E-18-24S-37E                    2630 FNL & 1249 FWL  
Well Name & Number: COOPER JAL UNIT No. 502  
Operator: TORCH ENERGY SERVICES, INC.

---

- 3002538189                    F-18-24S-37E                    1330 FNL & 2468 FWL  
Well Name & Number: COOPER JAL UNIT No. 504  
Operator: TORCH ENERGY SERVICES, INC.

---

- 3002538201                    O-18-24S-37E                    1310 FSL & 2477 FEL  
Well Name & Number: COOPER JAL UNIT No. 506  
Operator: TORCH ENERGY SERVICES, INC.

---

- 3002538202                    J-18-24S-37E                    1370 FSL & 1368 FEL  
Well Name & Number: COOPER JAL UNIT No. 509  
Operator: TORCH ENERGY SERVICES, INC.

---

- 3002538263                    F-18-24S-37E                    2581 FNL & 2369 FWL  
Well Name & Number: COOPER JAL UNIT No. 505  
Operator: TORCH ENERGY SERVICES, INC.

---

- 3002538269                    B-18-24S-37E                    1307 FNL & 1534 FEL  
Well Name & Number: COOPER JAL UNIT No. 507  
Operator: TORCH ENERGY SERVICES, INC.

---

- 3002538270                    H-18-24S-37E                    2546 FNL & 1238 FEL  
Well Name & Number: COOPER JAL UNIT No. 508  
Operator: TORCH ENERGY SERVICES, INC.

24 Records found

Displaying Screen 1 of 1

Continue
Go Back

**Well File Search - Select API Number to View**

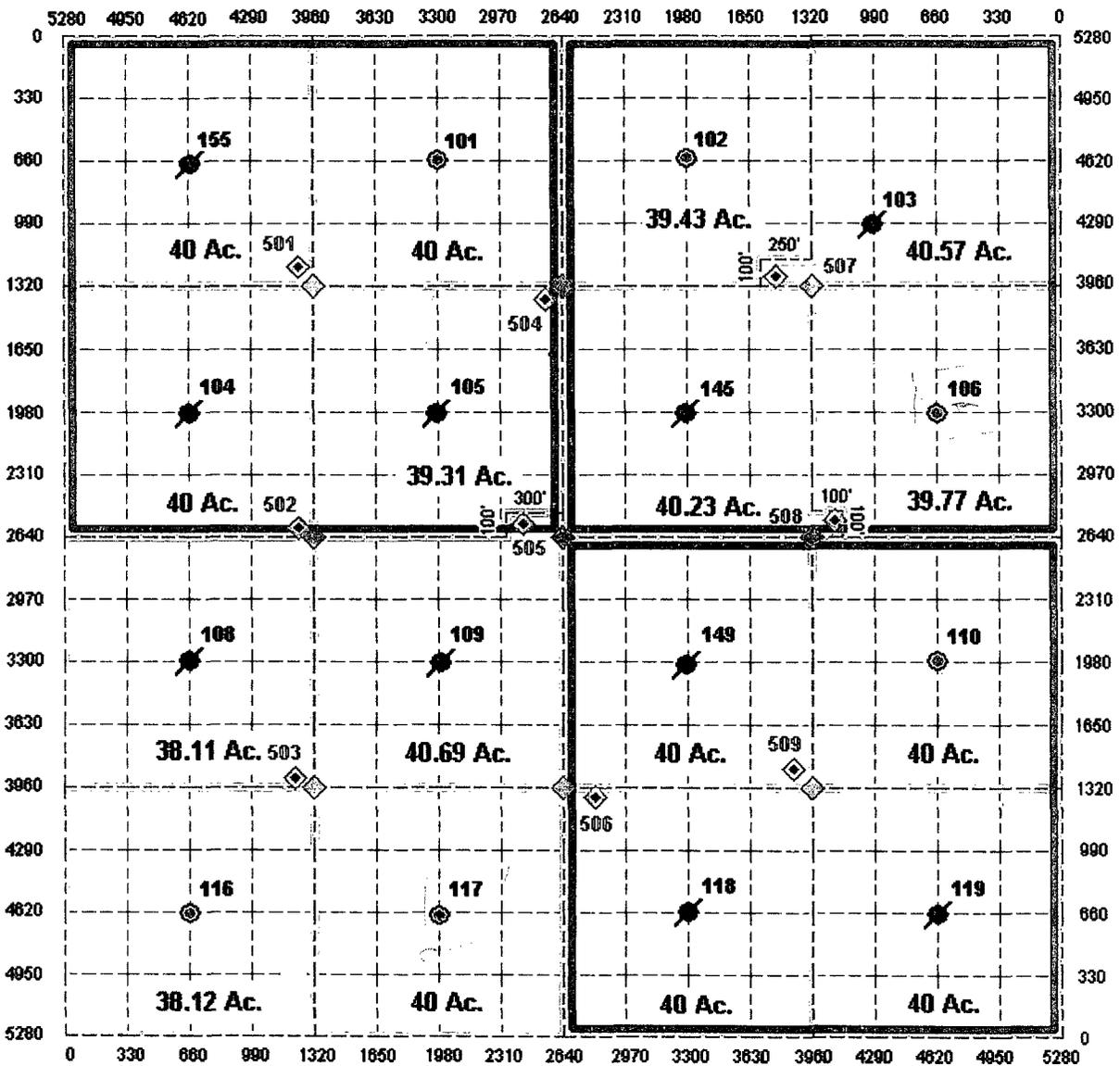
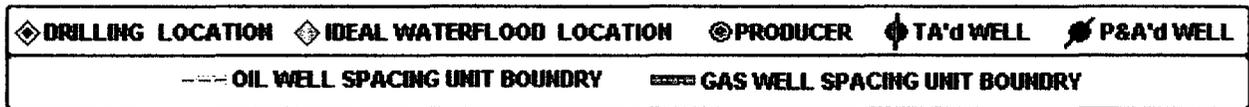
Please select the API Number you wish to view from the list below by clicking the radio button next to the API Number. Then click the "Continue" button to see the thumbnails for the API you selected. The search results are broken out by groups of 25 on each page. Switching pages can be done by clicking the "Next 25" or "Previous 25" links.

24 Records found

Displaying Screen 1 of 1

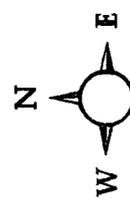
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<b>Operator:</b> TEXACO EXPLORATION & PRODUCTION INC		
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<b>Operator:</b> TEXACO EXPLORATION & PRODUCTION INC		
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<b>Well Name &amp; Number:</b> COOPER JAL UNIT No. 102		
<b>Operator:</b> TORCH ENERGY SERVICES, INC.		
<input type="radio"/> 3002511135	A-18-24S-37E	990 FNL & 990 FEL
<b>Well Name &amp; Number:</b> COOPER JAL UNIT No. 103		
<b>Operator:</b> TEXACO EXPLORATION & PRODUCTION INC		
<input type="radio"/> 3002511136	G-18-24S-37E	1980 FNL & 1980 FEL
<b>Well Name &amp; Number:</b> COOPER JAL UNIT No. 145		
<b>Operator:</b> TEXACO EXPLORATION & PRODUCTION INC		
<input type="radio"/> 3002511137	H-18-24S-37E	1980 FNL & 660 FEL
<b>Well Name &amp; Number:</b> COOPER JAL UNIT No. 106		
<b>Operator:</b> TORCH ENERGY SERVICES, INC.		
<input type="radio"/> 3002511138	E-18-24S-37E	1980 FNL & 660 FWL
<b>Well Name &amp; Number:</b> COOPER JAL UNIT No. 104		
<b>Operator:</b> TEXACO EXPLORATION & PRODUCTION INC		
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<b>Well Name &amp; Number:</b> COOPER JAL UNIT No. 118		
<b>Operator:</b> TEXACO EXPLORATION & PRODUCTION INC		
<input type="radio"/> 3002511140	N-18-24S-37E	660 FSL & 1980 FWL
<b>Well Name &amp; Number:</b> COOPER JAL UNIT No. 117		
<b>Operator:</b> TORCH ENERGY SERVICES, INC.		
<input type="radio"/> 3002511141	M-18-24S-37E	660 FSL & 660 FWL
<b>Well Name &amp; Number:</b> COOPER JAL UNIT No. 116		
<b>Operator:</b> TORCH ENERGY SERVICES, INC.		
<input type="radio"/> 3002511142	L-18-24S-37E	1980 FSL & 660 FWL
<b>Well Name &amp; Number:</b> COOPER JAL UNIT No. 108		
<b>Operator:</b> TEXACO EXPLORATION & PRODUCTION INC		
<input type="radio"/> 3002511143	I-18-24S-37E	1980 FSL & 660 FEL
<b>Well Name &amp; Number:</b> COOPER JAL UNIT No. 110		
<b>Operator:</b> TORCH ENERGY SERVICES, INC.		
3002511144	P-18-24S-37E	660 FSL & 660 FEL

**EXHIBIT #1**  
**COOPER JAL UNIT**  
**SECTION 18, T-24-S, R-37-E, NMPM**  
**LEA COUNTY, NM**  
**2006 - 2007 DRILLING LOCATIONS**



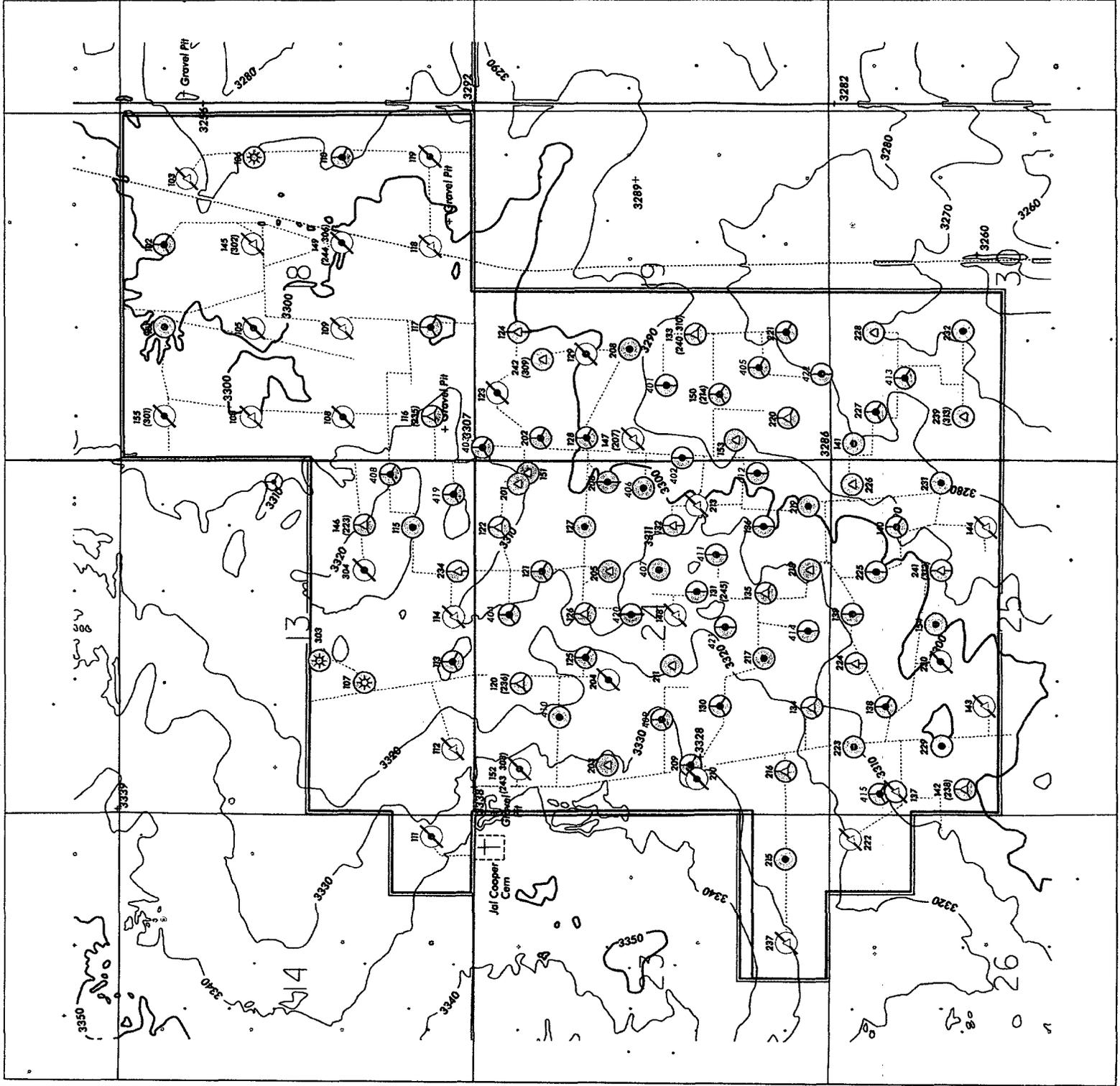
# LEGEND

- ⊕ Producer
- ⊖ Injector
- ⊙ TA'd Well
- ⊙ TA'd Well
- ⊙ P&A'd Well
- ⊙ P&A'd Well
- ⊙ Gas Well
- ⊙ Cross sections
- ⊙ Yales Production
- ⊙ Seven Rivers Prod.
- ⊙ Queen Production
- Railroad
- Road



MERCATOR PROJECTION  
 Center 104° 57' 30" W  
 Longitude of the central meridian: -104  
 Latitude of true scale: 32

COOPER JAL UNIT	October 95
LEA COUNTY, NEW MEXICO	SCALE: NTS
ROADS AND TOPO MAP	



DISTRICT 1  
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II  
1301 W. Grand Ave., Artesia, NM 88210

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

DISTRICT IV  
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease-4 copies  
Fee Lease-3 copies

OIL CONSERVATION DIVISION

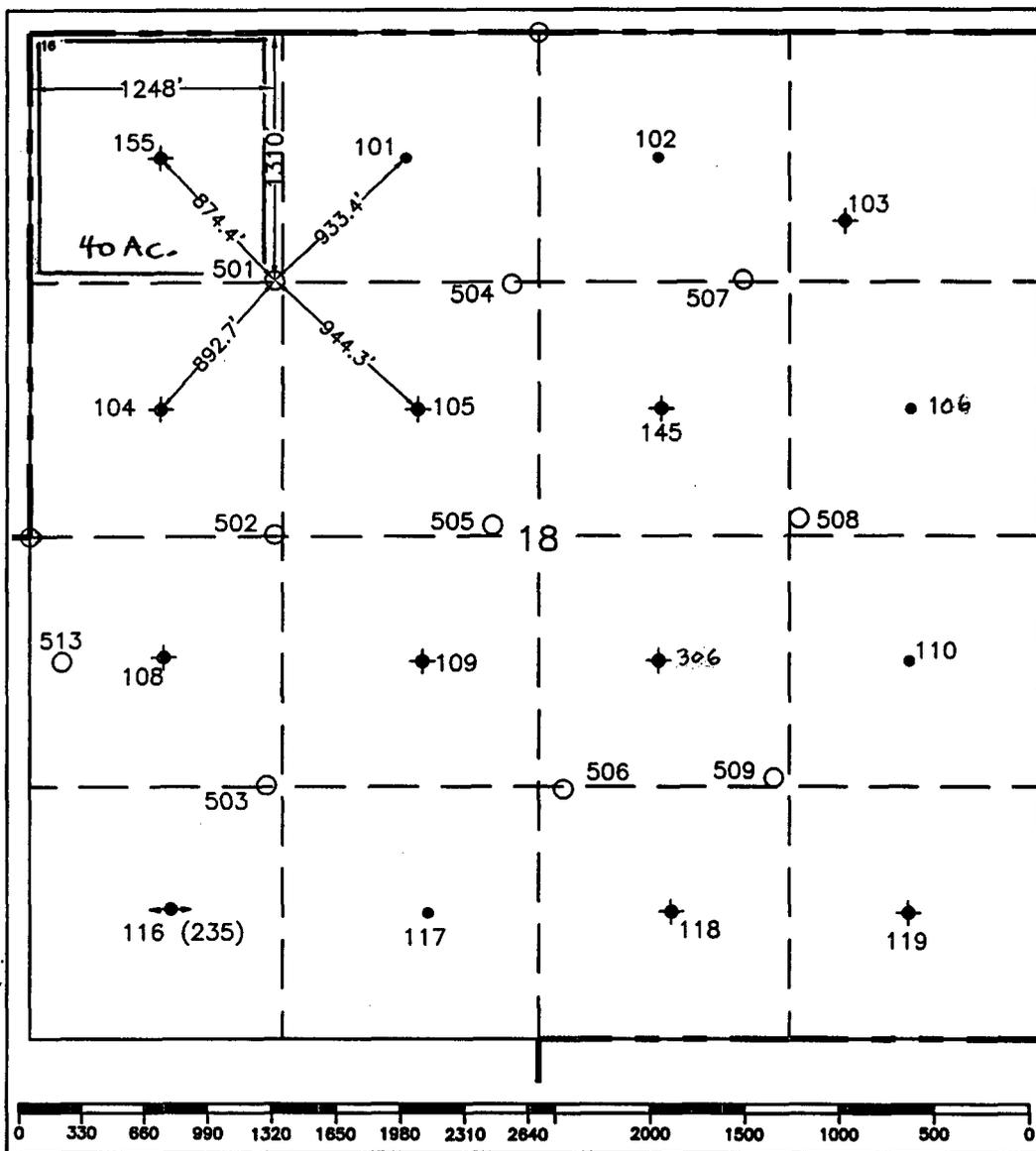
1220 South St. Francis Drive  
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

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				Jalmat; Langlie Mattix					
<sup>4</sup> Property Code		<sup>5</sup> Property Name				<sup>6</sup> Well Number			
		Cooper Jal Unit				501			
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name						<sup>9</sup> Elevation	
193003		TORCH ENERGY SERVICES, INC.						3300'	
<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	<sup>7</sup> County
D	18	24-S	37-E		1310'	North	1248'	West	Lea
<sup>11</sup> 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	<sup>7</sup> County
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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.



**17 OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Jim Kidd* 10/30/06  
Signature Date

Printed Name

**18 SURVEYOR CERTIFICATION**

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 knowledge and belief.

September 19 & 21, 2006  
Date of Survey

Signature & Seal of Professional Surveyor:

*John P. ...*  
Certificate No. 7254

○ = Staked Location • = Producing Well ● = Injection Well ◊ = Water Supply Well ⊕ = Plugged & Abandon Well  
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found /4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

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Latitude	32°13'15.803"	Longitude	103°12'22.701"
Zone	North American Datum	Combined Grid Factor	Coordinate File
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Drawing File	Coop_Jal.Dwg	Field Book	LEA #24, Pg. 1

DISTRICT I  
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DISTRICT II  
1301 W. Grand Ave., Artesia, NM 88210

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DISTRICT IV  
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005

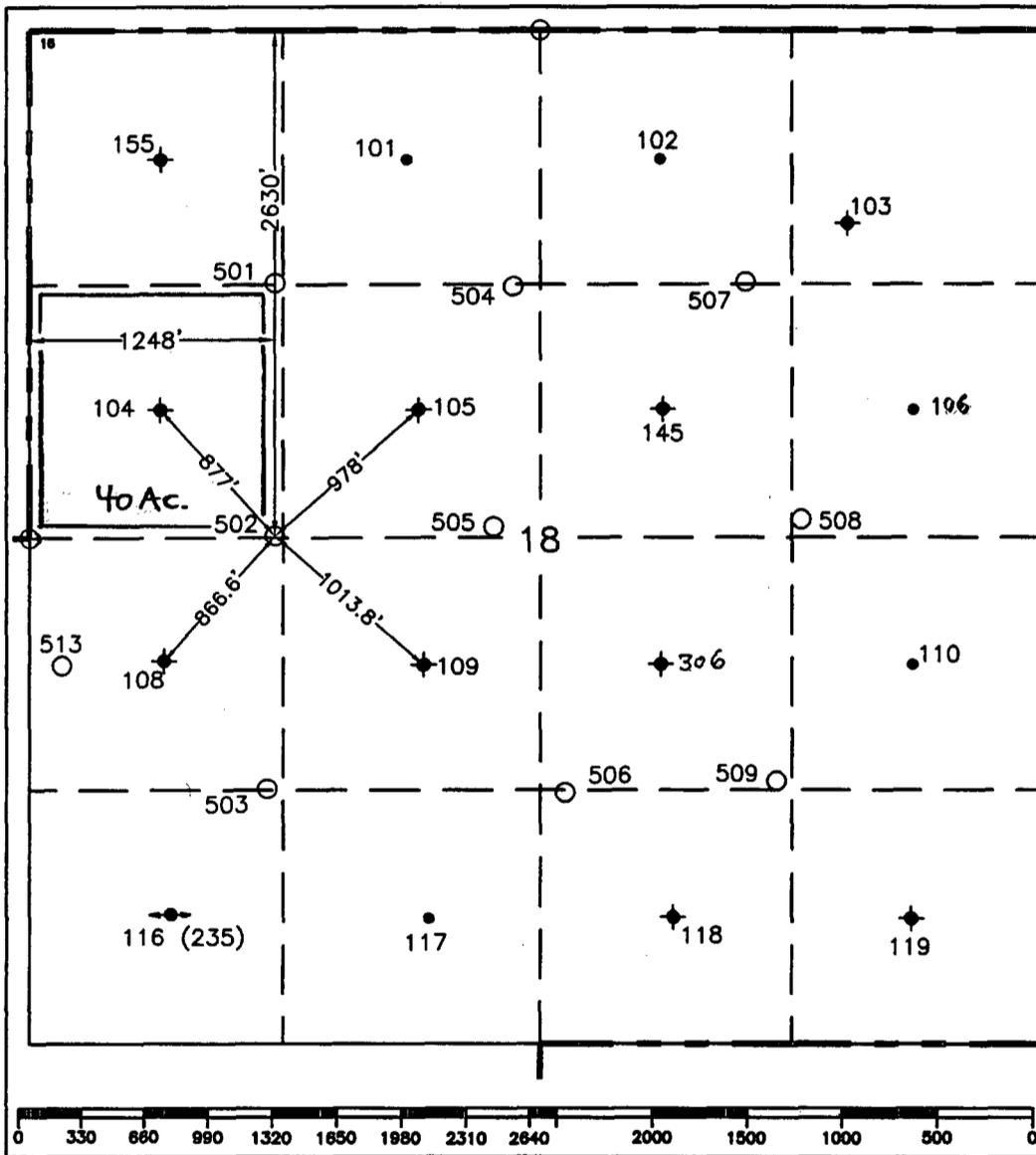
Submit to Appropriate District Office  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Jalmat; Langlie Mattix					
<sup>4</sup> Property Code		<sup>5</sup> Property Name Cooper Jal Unit						<sup>6</sup> Well Number 502	
<sup>7</sup> GRID No. 193003		<sup>8</sup> Operator Name TORCH ENERGY SERVICES, INC.						<sup>9</sup> Elevation 3300'	
<sup>10</sup> Surface Location									
UL or lot no. E	Section 18	Township 24-S	Range 37-E	Lot Idn	Feet from the 2630'	North/South line North	Feet from the 1248.9'	East/West line West	<sup>7</sup> County Lea
<sup>11</sup> 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	<sup>7</sup> County
<sup>12</sup> Dedicated Acres 40		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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**<sup>17</sup> OPERATOR CERTIFICATION**  
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*Jim Kidd* 10/30/06  
Signature Date

Jim Kidd  
Printed Name

**<sup>18</sup> SURVEYOR CERTIFICATION**  
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 knowledge and belief.

September 19 & 21, 2006  
Date of Survey

Signature & Seal of Professional Surveyor:

*John A. ...*  
Certificate No. 7254

- = Staked Location    • = Producing Well    ◆ = Injection Well    ◊ = Water Supply Well    ⊕ = Plugged & Abandon Well
- ⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C.    ◦ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates		Northing 444662.08		Easting 889888.26	
Latitude 32°13'02.741"		Longitude 103°12'22.668"			
Zone	North American Datum	Combined Grid Factor		Coordinate File	
East	1983/86	0.99988900		Coop_Jal.Crd	
Drawing File Coop_Jal.Dwg		Field Book LEA #24, Pg. 2			

DISTRICT 1  
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

DISTRICT II  
1301 W. Grand Ave., Artesia, NM 88210

Submit to Appropriate District Office  
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Fee Lease-3 copies

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

OIL CONSERVATION DIVISION  
1220 South St. Francis Drive  
Santa Fe, NM 87505

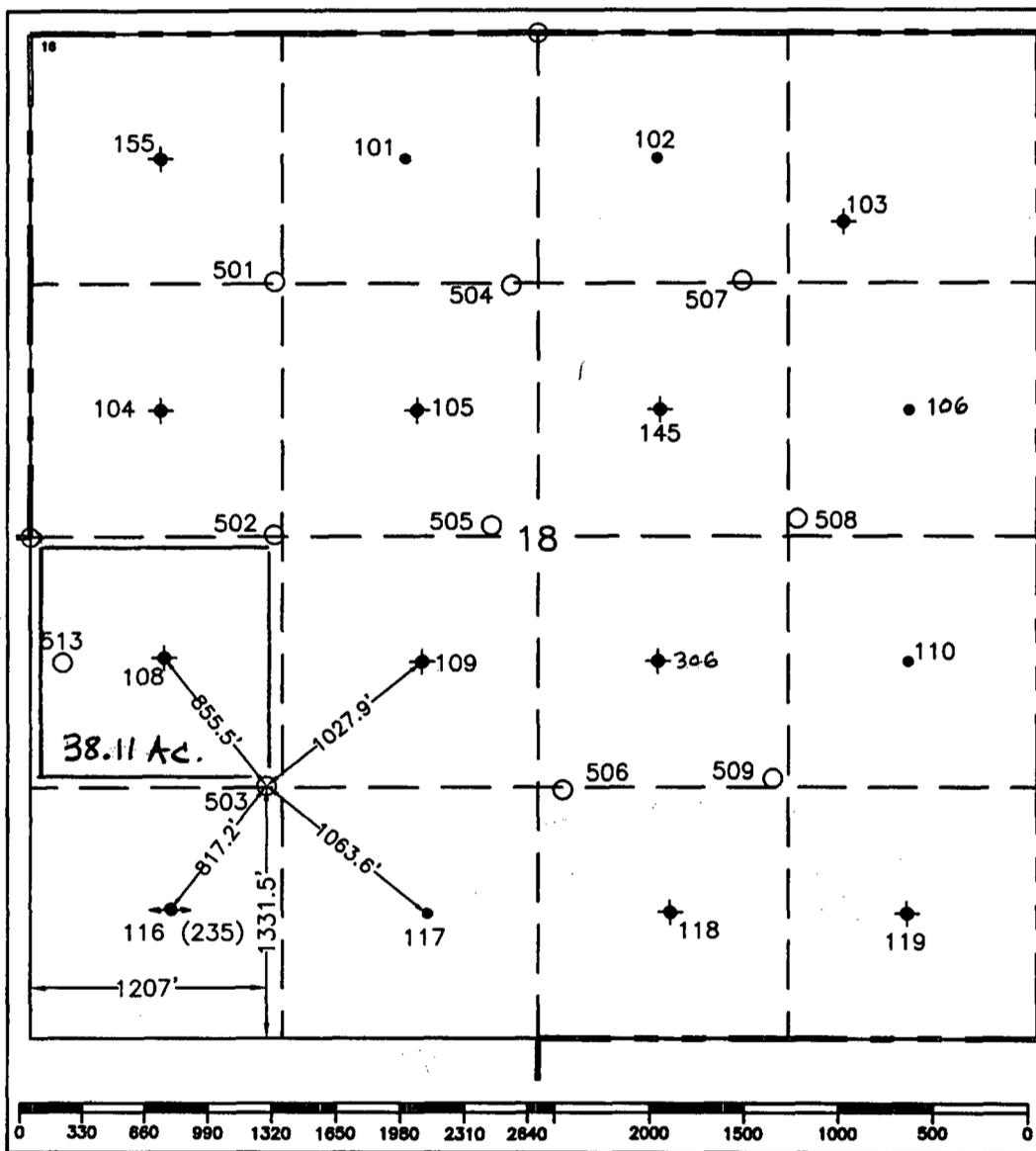
DISTRICT IV  
1220 St. Francis Dr., Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name Jalmat; Langlie Mattix					
4 Property Code		5 Property Name Cooper Jal Unit					6 Well Number 503		
7 GRID No. 193003		8 Operator Name TORCH ENERGY SERVICES, INC.					9 Elevation 3305'		
10 Surface Location									
UL or lot no. L	Section 18	Township 24-S	Range 37-E	Lot Idn	Feet from the 1331.5'	North/South line South	Feet from the 1207'	East/West line West	County Lea
11 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
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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*Jim Kidd* 10/30/06  
Signature Date

Jim Kidd  
Printed Name

18 SURVEYOR CERTIFICATION  
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September 19 & 21, 2006  
Date of Survey

Signature & Seal of Professional Surveyor:  
*[Signature]*  
Certificate No. 7254

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- ⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C.    ◦ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 443340.21		Easting 889865.03	
Latitude 32°12'49.665"		Longitude 103°12'23.099"	
Zone North American Datum		Combined Grid Factor	Coordinate File
East 1983/86		0.99988900	Coop_Jal.Crd
Drawing File	Field Book		
Coop_Jal.Dwg	LEA #24, Pg. 3		

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

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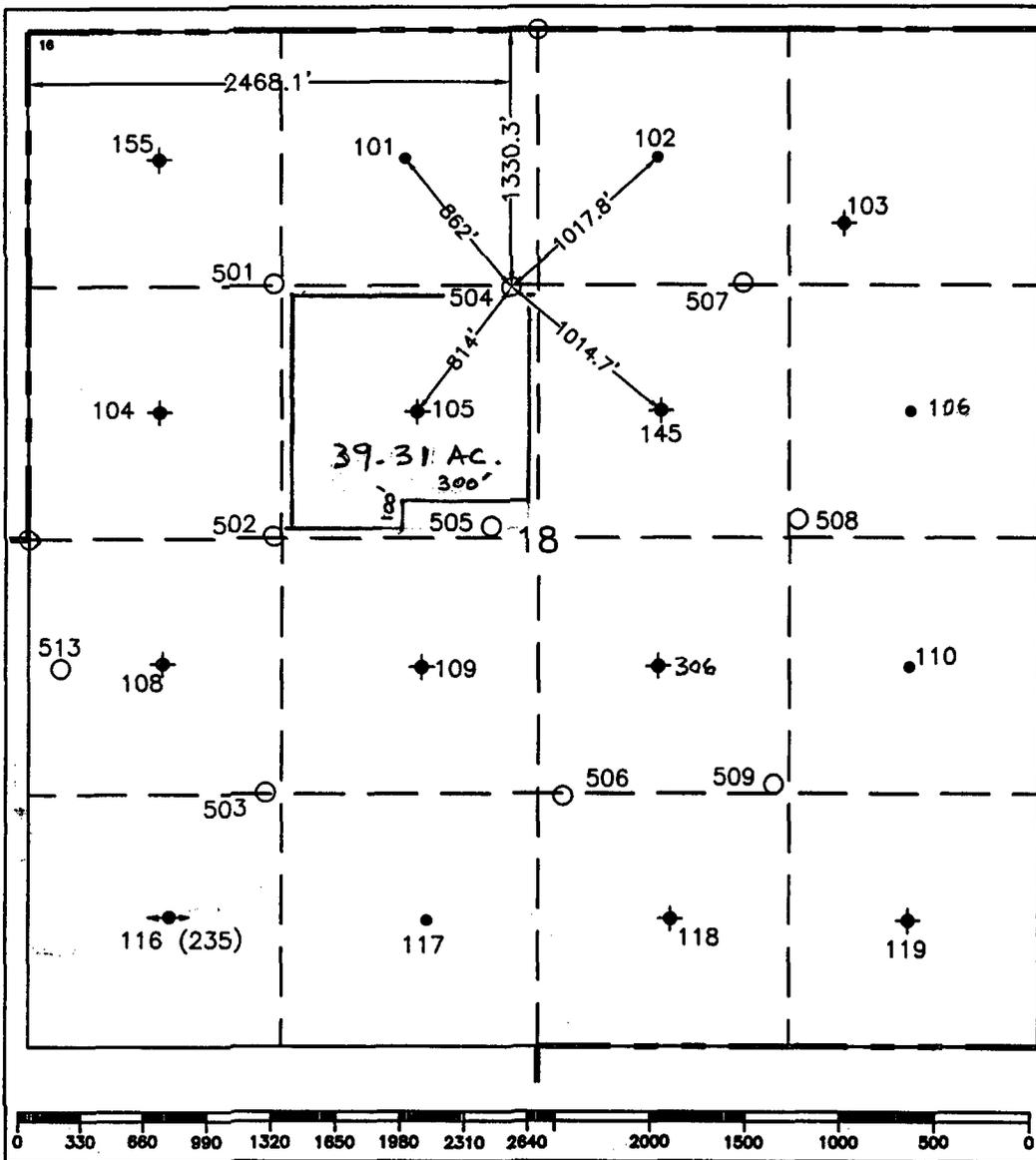
OIL CONSERVATION DIVISION  
1220 South St. Francis Drive  
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Jalmat; Langlie Mattix					
<sup>4</sup> Property Code		<sup>5</sup> Property Name Cooper Jal Unit				<sup>8</sup> Well Number 504			
<sup>7</sup> OGRID No. 193003		<sup>6</sup> Operator Name TORCH ENERGY SERVICES, INC.				<sup>9</sup> Elevation 3296'			
<sup>10</sup> Surface Location									
UL or lot no. F	Section 18	Township 24-S	Range 37-E	Lot Idn	Feet from the 1330.3'	North/South line North	Feet from the 2468.1'	East/West line West	<sup>7</sup> County Lea
<sup>11</sup> 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	<sup>7</sup> County
<sup>12</sup> Dedicated Acres 40		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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*Jim Kidd* 10/30/06  
Signature Date

Jim Kidd  
Printed Name

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Date of Survey

Signature & Seal of Professional Surveyor:  
*John D. [Signature]*

Certificate No.  
7254

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⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C.   ◦ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 445977.02		Easting 891091.90'	
Latitude 32°13'15.626"		Longitude 103°12'08.498"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File		Field Book	
Coop_Jal.Dwg		LEA #24, Pg. 4	

DISTRICT 1  
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State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Form C-1021  
Revised October 12, 2005

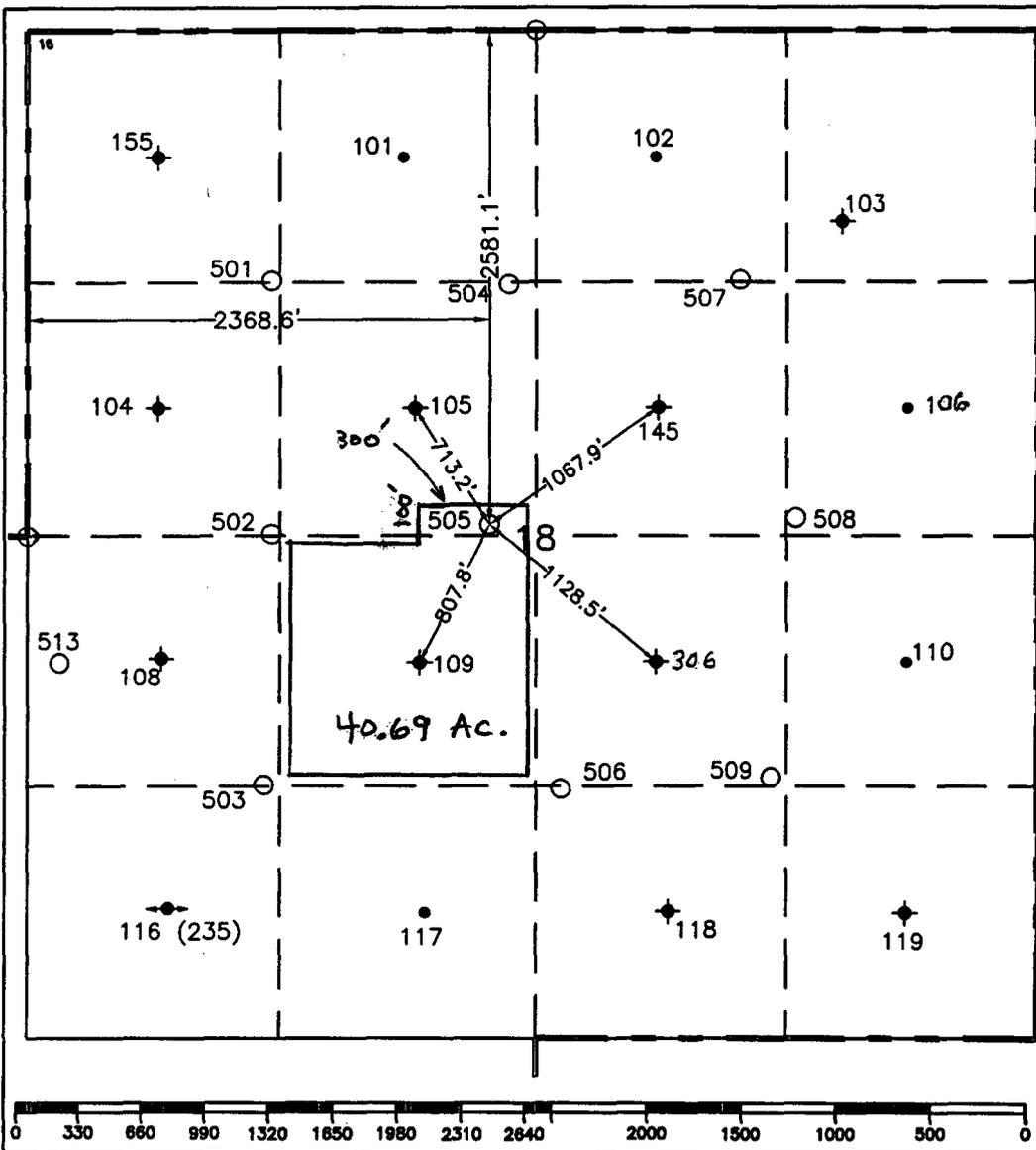
Submit to Appropriate District Office  
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Fee Lease-3 copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Jalmat; Langlie Mattix					
<sup>4</sup> Property Code		<sup>5</sup> Property Name Cooper Jal Unit						<sup>6</sup> Well Number 505	
<sup>7</sup> OGRID No. 193003		<sup>8</sup> Operator Name TORCH ENERGY SERVICES, INC.						<sup>9</sup> Elevation 3301'	
<sup>10</sup> Surface Location									
UL or lot no. F	Section 18	Township 24-S	Range 37-E	Lot Idn	Feet from the 2581.1'	North/South line North	Feet from the 2368.6'	East/West line West	<sup>7</sup> County Lea
<sup>11</sup> 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	<sup>7</sup> County
<sup>12</sup> Dedicated Acres 40		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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*Jim Kidd* 10/30/06  
Signature Date

Jim Kidd  
Printed Name

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September 19 & 21, 2006  
Date of Survey

Signature & Seal of Professional Surveyor:  
*John D. [Signature]*

Certificate No.  
7254

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⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C.    ◦ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing	444725.02	Easting	891007.29
Latitude	32°13'03.248"	Longitude	103°12'09.636"
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File	Coop_Jal.Dwg	Field Book	LEA #24, Pg. 5

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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

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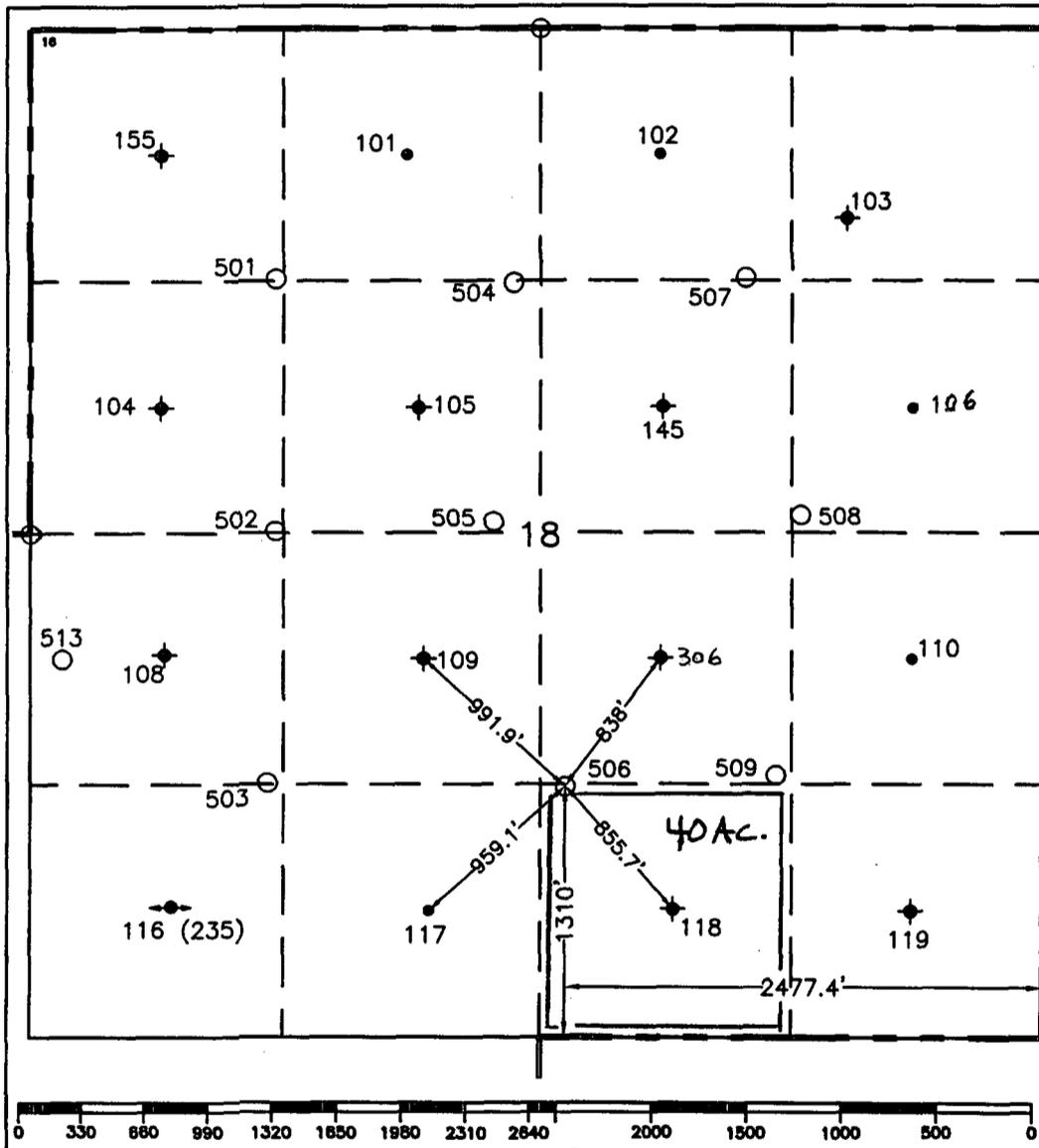
OIL CONSERVATION DIVISION  
1220 South St. Francis Drive  
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Jalmat; Langlie Mattix					
<sup>4</sup> Property Code		<sup>5</sup> Property Name Cooper Jal Unit				<sup>6</sup> Well Number 506			
<sup>7</sup> OGRID No. 193003		<sup>8</sup> Operator Name TORCH ENERGY SERVICES, INC.				<sup>9</sup> Elevation 3329'			
<sup>10</sup> Surface Location									
UL or lot no. 0	Section 18	Township 24-S	Range 37-E	Lot Idn	Feet from the 1310'	North/South line South	Feet from the 2477.4'	East/West line East	<sup>7</sup> County Lea
<sup>11</sup> 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	<sup>7</sup> County
<sup>12</sup> Dedicated Acres 40		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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*Jim Kidd* 10/30/06  
Signature Date

Jim Kidd  
Printed Name

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September 19 & 21, 2006  
Date of Survey

Signature & Seal of Professional Surveyor:

*John H. ...*  
Certificate No.  
7254

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⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C.   ◦ = Found /4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates		Northing 443338.31		Easting 891394.95	
Latitude 32°12'49.487"		Longitude 103°12'05.294"			
Zone	North American Datum	Combined Grid Factor	Coordinate File		
East	1983/86	0.99988900	Coop_Jal.Crd		
Drawing File	Field Book				
Coop_Jal.Dwg	LEA #24, Pg. 6				

DISTRICT 1  
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State of New Mexico  
Energy, Minerals and Natural Resources Department

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Fee Lease-3 copies

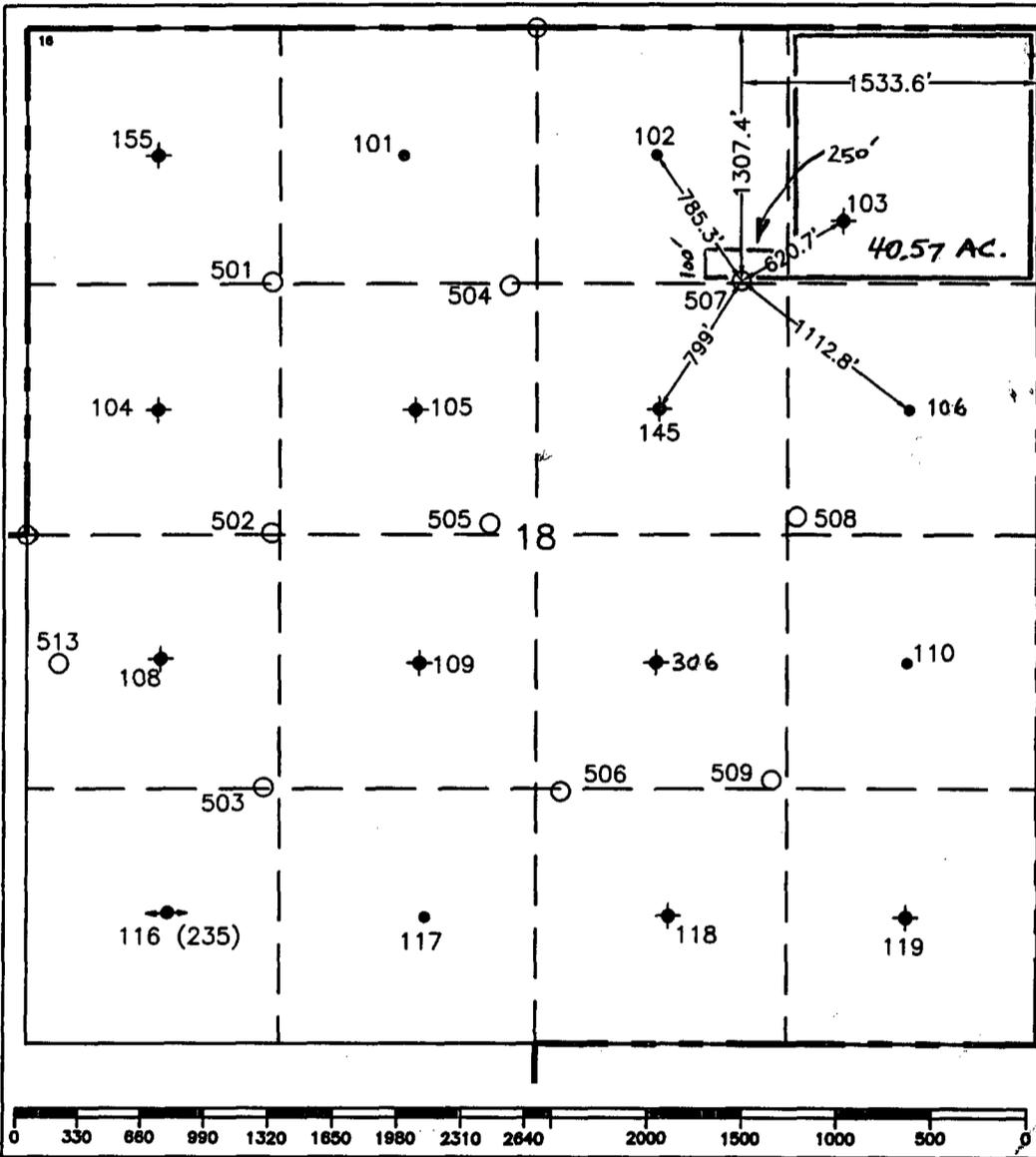
OIL CONSERVATION DIVISION  
1220 South St. Francis Drive  
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Jalmat; Langlie Mattix					
<sup>4</sup> Property Code		<sup>5</sup> Property Name Cooper Jal Unit						<sup>6</sup> Well Number 507	
<sup>7</sup> GRID No. 193003		<sup>8</sup> Operator Name TORCH ENERGY SERVICES, INC.						<sup>9</sup> Elevation 3291'	
<sup>10</sup> Surface Location									
UL or lot no. B	Section 18	Township 24-S	Range 37-E	Lot Idn	Feet from the 1307.4'	North/South line North	Feet from the 1533.6'	East/West line East	<sup>7</sup> County Lea
<sup>11</sup> 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	<sup>7</sup> County
<sup>12</sup> Dedicated Acres 40		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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*Jim Kidd* 10/30/06  
Signature Date

Jim Kidd  
Printed Name

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Date of Survey

Signature & Seal of Professional Surveyor:  
*[Signature]*

Certificate No.  
7254

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⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found /4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 446015.04		Easting 892307.00	
Latitude 32°13'15.876"		Longitude 103°11'54.351"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File	Field Book		
Coop_Jal.Dwg	LEA #24, Pg. 7		

DISTRICT 1  
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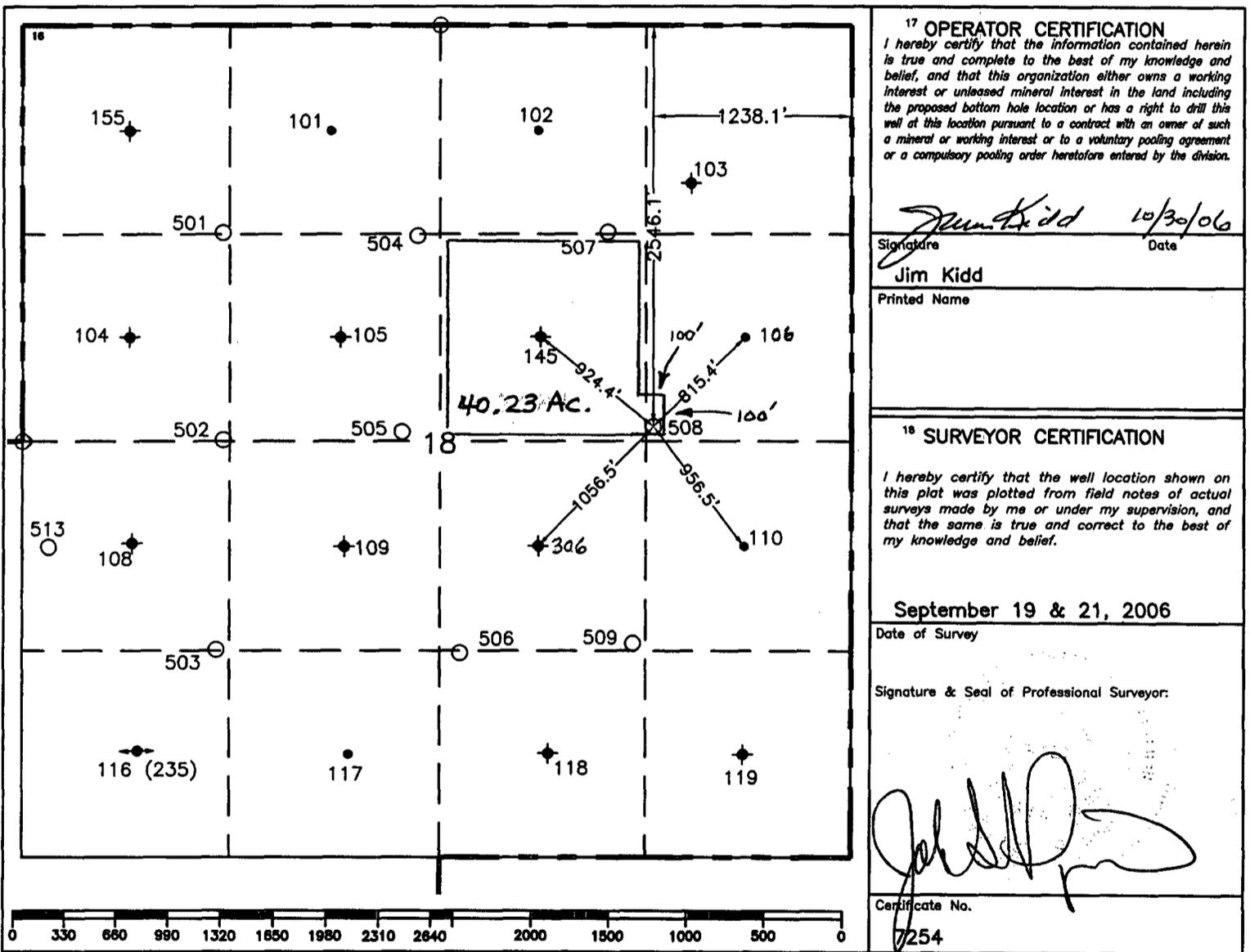
OIL CONSERVATION DIVISION  
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Jalmat; Langlie Mattix					
<sup>4</sup> Property Code		<sup>5</sup> Property Name Cooper Jal Unit						<sup>6</sup> Well Number 508	
<sup>7</sup> GRID No. 193003		<sup>8</sup> Operator Name TORCH ENERGY SERVICES, INC.						<sup>9</sup> Elevation 3297'	
<sup>10</sup> Surface Location									
UL or lot no. H	Section 18	Township 24-S	Range 37-E	Lot Idn	Feet from the 2546.1'	North/South line North	Feet from the 1238.1'	East/West line East	<sup>7</sup> County Lea
<sup>11</sup> 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	<sup>7</sup> County
<sup>12</sup> Dedicated Acres 40		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing	444780.10	Easting	892617.15
Latitude	32°13'03.625"	Longitude	103°11'50.893"
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983/86	0.99988900	Coop_Jal.Crd
Drawing File	Coop_Jal.Dwg	Field Book	LEA #24, Pg. 8

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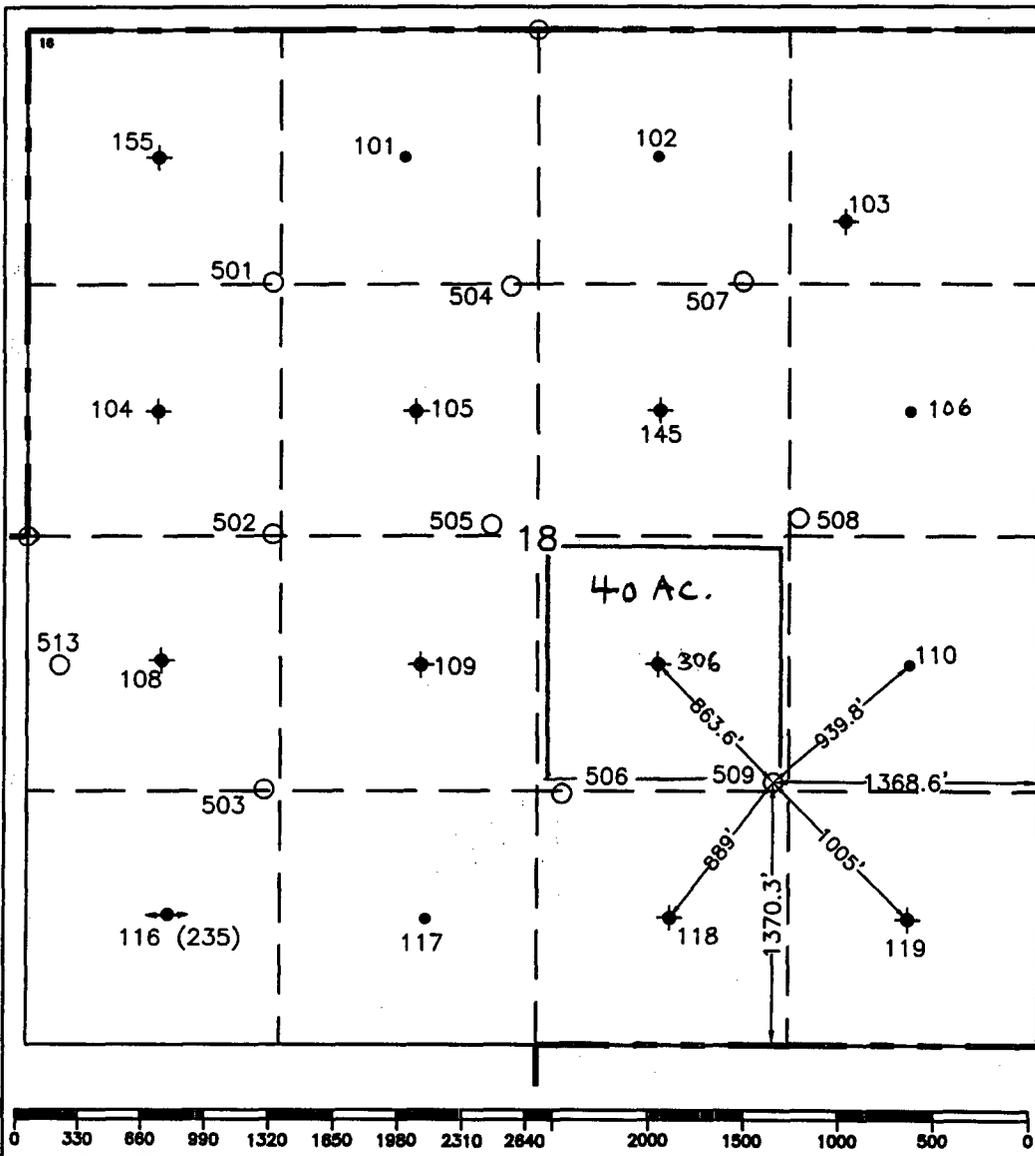
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Jalmat; Langlie Mattix					
<sup>4</sup> Property Code		<sup>5</sup> Property Name Cooper Jal Unit				<sup>6</sup> Well Number 509			
<sup>7</sup> GRID No. 193003		<sup>8</sup> Operator Name TORCH ENERGY SERVICES, INC.				<sup>9</sup> Elevation 3299'			
<sup>10</sup> Surface Location									
UL or lot no. J	Section 18	Township 24-S	Range 37-E	Lot Idn	Feet from the 1370.3'	North/South line South	Feet from the 1368.6'	East/West line East	<sup>7</sup> County Lea
<sup>11</sup> 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	<sup>7</sup> County
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*Jim Kidd* 10/30/06  
Signature Date

Jim Kidd  
Printed Name

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Signature & Seal of Professional Surveyor:  
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Certificate No.  
7254

○ = Staked Location    • = Producing Well    ● = Injection Well    ◊ = Water Supply Well    ◆ = Plugged & Abandon Well  
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C.    ◦ = Found /4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates		Northing 443412.72		Easting 892502.95	
Latitude 32°12'50.108"		Longitude 103°11'52.390"			
Zone	North American Datum	Combined Grid Factor	Coordinate File		
East	1983/86	0.99988900	Coop_Jal.Crd		
Drawing File	Coop_Jal.Dwg	Field Book	LEA #24, Pg. 9		