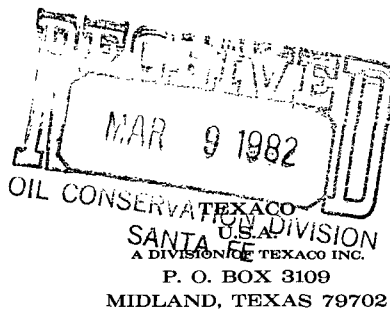




PETROLEUM PRODUCTS

PRODUCING DEPARTMENT

March 4, 1982



EXCEPTION TO UNORTHODOX
PRORATION UNIT
PACE EXPLORATION CO.
RHONDA "PG" STATE WELL NO. 1
TODD UPPER SAN ANDRES FIELD
ROOSEVELT COUNTY, NEW MEXICO

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

Gentlemen:

Texaco Inc. has been advised by Pace Exploration Co. of their application for exception to an unorthodox proration unit for the subject well. Field rules require 320 acre proration units for gas wells in the Todd Upper San Andres Field and since the subject well will only have 160 acres, an exception is needed.

We understand the subject well is located 1980' FSL and 660" FWL of Section 35, T-7-S, R-35-E, Roosevelt County, New Mexico.

Texaco Inc, as an offset operator, waives objection to the application.

Yours very truly,

Alan R. McDaniel
Division Vice President

By

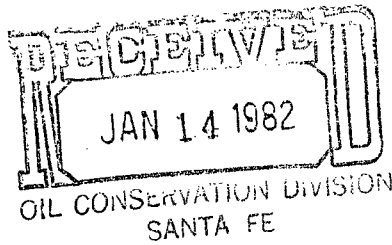
James W. Cox
Petroleum Engineering Manager

JMWsr/sr

cc: Pace Exploration Co.
P. O. Box 588
Artesia, New Mexico 88211

PACE DRILLING CO., INC.

P. O. BOX 588 / (505) 748-3344
ARTESIA, NEW MEXICO 88211-0588



January 12, 1982

State Land Office
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention: Joe D. Ramey

*NSL - 1474
Rule 5 - R-3153
Todd upper San Andres
Graz
2-3-82*

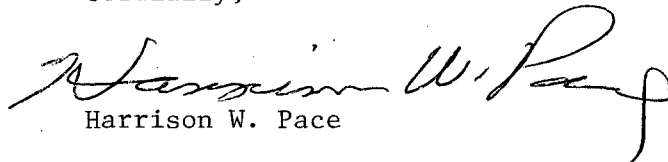
RE: Rhonda PG State #1
1980 FSL 660 FWL,
Section 35 T7S-R35E,
Roosevelt, County,
New Mexico

Gentlemen:

Pace Drilling Company, Inc. drilled the above captioned well in an orthodox location for lower Todd San Andres oil production. However, as of this time no commercial oil production has been established. We therefore request administrative approval to plug back to the Todd upper San Andres which will be an unorthodox location. All offset operators have been notified by return receipt on or by 12/22/81. As of this time no offset operator has objected to our proposal.

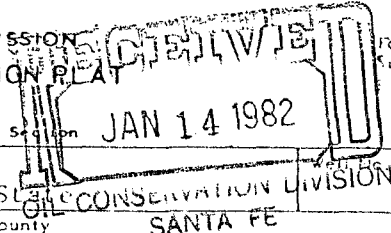
Thank you for your consideration on this matter.

Cordially,


Harrison W. Pace

HWP/slh

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT



Form C-192
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

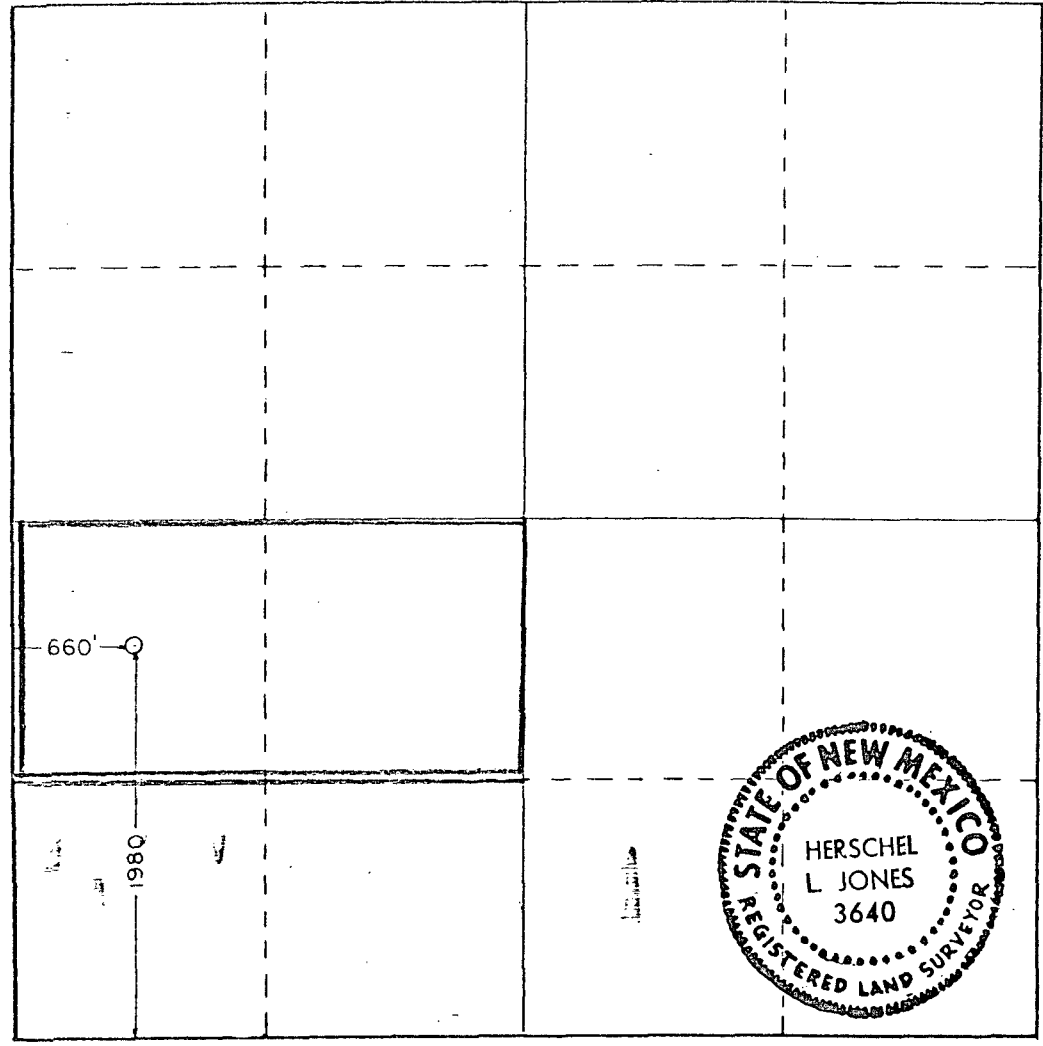
Operator H.W. PACE			Lessee Rhonda PG State Oil Conservation Division		
Unit Letter L	Section 35	Township 7 South	Range 35 East	County SANTA FE Roosevelt	
Actual Footage Location of Well: 1980 feet from the South line and 660 feet from the West line					
Ground Level Elev. 4193.0	Producing Formation San Andres		Pool Todd	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 of this form if necessary.) _____

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



CERTIFICATION

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

H. W. Pace
Name

Operator
Position

H. W. Pace
Company

8/24/81
Date

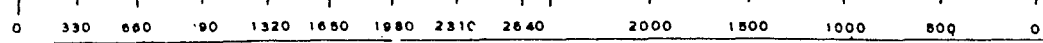
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
August 18, 1981

Registered Professional Engineer
and/or Land Surveyor

Herschel L Jones
Certificate No.

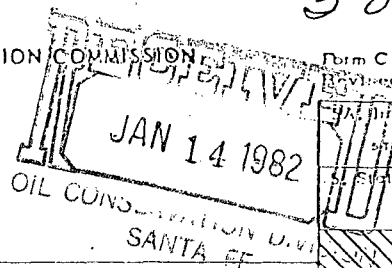
3640



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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65



Indicate Type of Lease
STATE ☒ FEDERAL ☐
State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL ☒ DEEPEN ☐ PLUG BACK ☐		7. Unit Agreement Name
b. Type of Well OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐		8. Farm or Lease Name Rhonda PG State
2. Name of Operator H. W. Pace		9. Well No. #1
3. Address of Operator P. O. Box 588, Artesia, New Mexico 88210		10. Field and Pool or Wildcat Todd Leuer SA
4. Location of Well UNIT LETTER <u>L</u> LOCATED <u>1980</u> FEET FROM THE <u>South</u> LINE AND <u>660</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>35</u> TWP. <u>7S</u> RGE. <u>35E</u> NMPM		11. Field and Pool or Wildcat Todd Leuer SA
		12. County Roosevelt
		19. Proposed Depth 4600'
		19A. Formation San Andres
		20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) GL 4193.0 DF 4203.0	21A. Kind & Status Plug. Bond one well \$5,000	21B. Drilling Contractor Pace Drilling Co., Inc.
		22. Approx. Date Work will start 8/31/81

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17½	13 3/8	48#	40'	42	circulate
12½	8 5/8	24#	2000'	790	circulate
7 7/8	4½	9.5#	4600	270	3600'

BOP Program attached.

Mud Program: Fresh water and native mud to 3600'.
Salt gel, starch and drispac to TD.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 2/27/82
UNLESS DRILLING UNDERWAY

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed [Signature] Title Operator Date 8/24/81

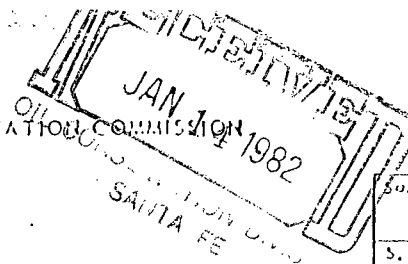
(This space for State Use)

APPROVED BY [Signature] TITLE [Signature] DATE [Signature]

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AND OFFICE	
PERMITOR	

NEW MEXICO OIL CONSERVATION COMMISSION



Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State ☒ Fee ☐
5. State Oil & Gas Lease No.
V-39

SUNDARY NOTICES AND REPORTS ON WELLS

DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR RE-DRILL OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE APPLICATION FOR PERMIT TO DRILL OR RE-DRILL FOR SUCH PROPOSALS.

Oil Well ☒ Gas Well ☐ OTHER ☐
Name of Operator
H. W. Pace
Address of Operator
P.O. Box 588, Artesia, New Mexico 88210
Location of Well
UNIT LETTER L 1980 FEET FROM THE South LINE AND 660 FEET FROM
THE West LINE, SECTION 35 TOWNSHIP 7S RANGE 35E N.M.P.M.

7. Unit Agreement Name
8. Term or Lease Name
Rhonda "PG" State
9. Well No.
#1
10. Field and Pool, or Valued
Todd Lower San Andre
12. County
Roosevelt

15. Elevation (Show whether DF, RT, CR, etc.)

GL 4193 KB 4203

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

REFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☒	PLUG AND ABANDONMENT ☐
LL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOG ☒	
		OTHER ☐	

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1503.

Spudded well @ 10:00 AM 8/29/81 with 17½" hole. Drilled to 40', set 39' 13 3/8" 48# conductor pipe. Cemented to surface @ 4:30 PM with 81 sacks Class C. Drilled out @ 11:30 PM 8/31/81 with 12½" bit.

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

SIGNATURE TITLE Exploration Manager DATE 9/8/81

APPROVED BY TITLE DATE SEP 11 1981

ADDITIONS OF APPROVAL, IF ANY

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87508

Form C-103
Revised 10-1-78

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OIL CONSERVATION DIVISION
SANTA FE
JAN 14 1982

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT -" (FORM C-101) FOR SUCH PROPOSALS.)

OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator

H. W. PACE

Address of Operator

P.O. BOX 588, ARTESIA, NEW MEXICO 88210

Location of Well

UNIT LETTER L 1980 FEET FROM THE South LINE AND 660 FEET FROM

THE West LINE, SECTION 35 TOWNSHIP 7S RANGE 35E N.M.P.M.

15. Elevation (Show whether DF, RT, GR, etc.)

GL 4193 KB 4203

5a. Indicate Type of Lease

State ☒ Fee ☐

5. State Oil & Gas Lease No.

7. Unit Agreement Name

8. Farm or Lease Name

RHONDA "PG" STATE

9. Well No.

#1

10. Field and Pool, or Wildcat

TODD LOWER SAN ANDRES

12. County

ROOSEVELT

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

REMEDIAL WORK ☐

ALTERING CASING ☐

TEMPORARILY ABANDON ☐

COMMENCE DRILLING OPS. ☐

PLUG AND ABANDONMENT ☐

PULL OR ALTER CASING ☐

CHANGE PLANS ☐

CASING TEST AND CEMENT JOBS ☒

OTHER ☐

7. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

9-8-81 TD 2043 Set 8 5/8" 9.5# J-55 csng @ 2012 Cmt w/ 500 SKS
Halliburton Light W/ 10# salt 1/4# Flocele 200 sks class C
w/ 2% Ca Cl Plug down @ 4:15 AM Circulated 42 sks to pit
woc 18 Hours.

9-9-81 Nippled up on 8 5/8" csng Pressured to 1000 PSI Drilled
out w/ 7 7/8" Bit @ 11:00 PM.

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

SIGNED

TITLE Exploration Manager

DATE 9/22/81

Orig. Signed by
Les Clements

APPROVED BY Oil & Gas Insp.

TITLE

DATE

SEP 25 1981

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OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

DISCRETELY
JAN 14 1982
OIL CONSERVATION COMMISSION
SANTA FE

Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

50. Estimate Type of Lease
 Single ☒ Fee ☐
 51. State Oil & Gas Lease No.
 V-39

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR RE-ENTER OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT TO DRILL" (FORM C-101) FOR SUCH PROPOSALS.)

OIL WELL ☒ GAS WELL ☐ OTHER ☐
 Name of Operator
 H.W. PACE
 Address of Operator
 P.O. BOX 588, ARTESIA, NM
 Location of Well
 UNIT LETTER L 1980 FEET FROM THE SOUTH LINE AND 660 FEET FROM
 THE WEST LINE, SECTION 35 TOWNSHIP 7S RANGE 35E N.M.P.M.

7. Unit Agreement Name
 8. Farm or Lease Name
 RHONDA "PG" State
 9. Well No.
 1
 10. Field and Pool, or Wildcat
 TODD LOWER SAN ANDRES
 11. Elevation (Show whether DF, RT, GR, etc.)
 GL 4193 KB 4203
 12. County
 ROOSEVELT

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
 NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

REFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
ULL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOBS ☒	OTHER ☐

1. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

- 9-21-81 TD 4500 ft, Logging w/ Schlumberger.
- 9-22-81 Finished logging, logger TD 4525. Ran CNL/FDC, Dll logs.
- 9-23-81 Set 4525 ft 4½" 9.5# production csng. Cmt w/ 445 sks class C 2% gel 8# salt ¼# Focle Plug down @ 1:32 AM 9-24-81.
- 9-24-81 Released Rig, waiting on completion unit.

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

SIGNED [Signature] TITLE EXPLORATION MANAGER DATE 9/28/81

APPROVED BY Jerry Sexton TITLE Dist 1, Supv DATE SEP 30 1981

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87504Form C-103
Revised 10-1-78

SUNDRY NOTICES AND REPORTS ON WELLS

DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR.
USE "APPLICATION FOR PERMIT - 1" (FORM C-101) FOR SUCH PROPOSALS.OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator

H. W. Pace
Address of Operator

P.O. Box 588 Artesia, N.M. 88210

Location of Well

UNIT LETTER L 1980 FEET FROM THE South LINE AND 660 FEET FROMTHE West LINE, SECTION 35 TOWNSHIP 7S RANGE 35E N.M.P.M.

13. Elevation (Show whether DF, RT, GR, etc.)

10. Indicate Type of Lease

State ☒ Free ☐

11. State Oil & Gas Lease No.

V-39

12. Form of Lease Name

Rhonda "PG" State

9. Well No.

1

10. Field and Pool, or Wildcat

Todd Lower S.A.

12. County

Roosevelt

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐REPAIR OR ALTER CASING ☐CHANGE PLANS ☐OTHER ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ALTERING CASING ☐COMMENCE DRILLING OPERATIONS ☐PLUG AND ABANDONMENT ☐CASING TEST AND CEMENT JOBS ☐OTHER ☐

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

10/8/81 Rigged up Abo Well Service pulling unit

10/9/81 Tagged plug @ 4480", drilled out to 4510' Ran cement bond log, top cement @ 3100'

10/12/81 Perforated @ 4477-4483', 1 shot per foot total of 7 shots
Ran Baker model R, packer set @ 4462'
Acidize w/500 gal 15% HCL. Perfs broke @ 2300# @.1 BPM. Swabbed 7 barrels back.

10/13/81 0 pressure, tagged fluid @ 2800', no oil no gas. Swabbed dry.

10/14-15/81 0 pressure, swabbed dry. No oil or gas.

10/16/81 Acidize w/2000 gal 15% NE @ rate of 1.2 barrels per minute @ 2800 P.S.I.

10/17/81 Swabbing no shows, swabbed dry

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

SIGNED

TITLE Exploration Manager

DATE 10/21/81

APPROVED BY

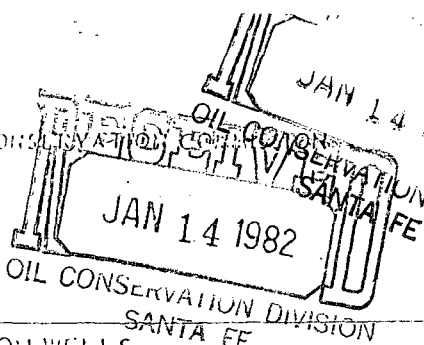
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NEW MEXICO OIL CONSERVATION DIVISION



Form C-103
Supersedes Old
C-102 and C-103
Effective 1-1-65

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO RE-ENTER OR RE-DRILL BACK TO A DIFFERENT RESERVOIR. USE APPLICATION FOR PERMIT TO DRILL C-101 FOR SUCH PROPOSALS.)

OIL WELL ☒ GAS WELL ☐ OTHER ☐

Name of Operator: W. Pace

Address of Operator: O. Box 588 Artesia, N.M. 88210

Location of Well: UNIT LETTER L, 1980 FEET FROM THE South LINE AND 660 FEET FROM West LINE, SECTION 35 TOWNSHIP 7S RANGE 35 E N.M.P.M.

Section and Type of Lease: ☒ Fee ☐

5. State Oil & Gas Lease No.: V-39

7. Unit Approval Name: _____

8. Farm or Lease Name: Rhonda "PG" State

9. Well No.: 1

10. Field and Pool, or Wildcat: Todd Lower S.A.

12. County: Roosevelt

Check Appropriate Box To Indicate Nature of Notice, Report or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☒	ALTERING CASING ☐
MODERATELY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
ILL OR ALTER CASING ☐	OTHER ☐	CASING TEST AND CEMENT JOBS ☐	

Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

10/22/81 Ran 4½" CIBP on wire-line set @ 4460, ran dump bailer two runs, cmt. @ 4420 (40 ft). Perf 4314, 16, 21, 24, 29, 32, 38, 40 w/.50" JS: S. I.

10/23/81 Ran tubing and baker model R-packer, set @ 4242.16'. Press.up on casing to 1050 PSI. Acidize w/2000 gal.15% HCL. Perfs broke @ 1000 PSI @ 2.5 BPM incr. to 4 BPM @ 1300 PSI. Dropped 10 ball sealers, incr. 3800 PSI @ 7 BPM. ISIP 1900 PSI. FSIP 1650 10 min. Started flowing well back 10:30 a.m., total recovered 80 bbls.

10/24/81 75# on tubing, fluid @ 2000', gas will burn. Swab 135 bbls fluid, approx. 35% oil cut.

10/25/81 SI for pressure buildup.

10/26/81 100 PSI on tubing, fluid @ 2300', swab 78 bbls fluid.

10/27/81-

11/01/81 Swabbing

11/02/81- Installing pumping equipment.

11/09/81

11/10/81 Pumped 120 bbls with trace of oil.

11/11/81- Pumping. Total recovered, 856 bbls, 2% oil cut.

11/20/81

11/21/81- 12/03/81 Pump down.

12/04/81 Pumped 128 bbls with trace of oil.

12/05/81 Pump down.

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

NAME Exploration Manager DATE 12-08-81

APPROVED BY [Signature]
SIGNED BY Berry Sexton
DATE DEC 16 1981

DEC 16 1981