

DATE IN 1/29/08	SUSPENSE	Brooks ENGINEER	1/29/08 LOGGED IN	NSL TYPE	PKUR0802958532 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



Encore @ Operating LP  
 Encore 32 Loader Com  
 5793 #1

**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  
 X NSL  NSP  SD

Unable to find  
 Property Name

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 *Communitized Unit*  
 [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.

*Ann Burdett Wiley*  
 Print or Type Name      *Ann Burdett Wiley*      Signature      *Regulatory Manager*      Title      *1/29/08*      Date

*awiley@encoreacq.com*  
 e-mail Address



**Encore**  
Operating, L.P.  
*A Subsidiary of  
Encore Acquisition Company*

777 Main Street  
Suite 1400  
Fort Worth, Texas 76102  
(817) 877-9955  
fax: (817) 877-1655

January 25, 2008

New Mexico oil Conservation Division  
Attn: David Brooks  
1220 South St. Francis  
Santa Fe, NM 87505

Re: Request for Administrative Approval  
Of Non-Standard Location  
Encore "32" Loafer Com # 1  
BHL 2310' FNL & 1980' FWL  
Sec. 32 T21S R23E  
Eddy County, NM

Dear Mr. Brooks:

Encore Operating, L.P. here by request NMOCD administrative approval for a non-standard location. With your approval we plan to produce the Encore "32" Loafer Com # 1 as a gas well in the Morrow Formation.

Base on statewide rules (320 acre proration unit for gas wells), the bottom hole location is a non-standard location, encroaching on an internal proration boundary. This is a directional well with the surface location selected as to minimize surface impact due to topographic relief and to best mitigate subsurface risks.

This is a communitized unit therefore no offset operator notice is necessary as this location encroaches only on an internal proration boundary.

Attached for your review is a C-102.

Sincerely,

Ann Burdette Wiley  
Regulatory Compliance Manager

Enclosure

Cc: Bryan Arrant – NMOCD Dist. II

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

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

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

DISTRICT IV  
1220 S. 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 Dr.  
Santa Fe, New Mexico 87505

AMENDED REPORT

36075 WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015- <del>29285</del>	Pool Code	Pool Name unlabeled Loafer Draw Marrow, SE Gas
Property Code	Property Name ENCORE "32" LOAFER COM	Well Number 1
OGRID No.	Operator Name ENCORE OPERATING, L.P.	Elevation 4063'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	32	21 S	23 E		2636	NORTH	2362	EAST	EDDY

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
F	32	21 S	23 E		2310	NORTH	1980	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	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

**BOTTOM HOLE LOC**  
LAT - N32°26'09.6"  
LONG - W104°37'33.3"  
(NAD-27)

**SURFACE LOCATION**  
LAT - N32°26'06.8"  
LONG - W104°37'24.2"  
(NAD-27)

**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 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.*

Signature: *Ann Burdette Wiley* Date: *10/10/08*

Printed Name: Ann Burdette Wiley

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**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 belief.*

Date Surveyed: APRIL 16, 2007

Date Surveyed: APRIL 16, 2007  
Signature: *Gary L. Jones*  
Professional Surveyor

Certificate No. Gary L. Jones 7977

BASIN SURVEYS

### 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.

4 Records Found

Displaying Screen 1 of 1

- | API Number   | ULSTR         | Footages            |
|--|---------------|---------------------|
| <input type="radio"/> 3001510723                               | J -32-21S-23E | 1650 FSL & 1650 FEL |
| <b>Well Name &amp; Number:</b> NEW MEXICO DF STATE COM No. 001 |               |                     |
| <b>Operator:</b> CHEVRON U S A INC                             |               |                     |
| <input type="radio"/> 3001529284                               | G -32-21S-23E | 2000 FNL & 1650 FEL |
| <b>Well Name &amp; Number:</b> NEW MEXICO DF STATE COM No. 003 |               |                     |
| <b>Operator:</b> CHEVRON U S A INC                             |               |                     |
| <input type="radio"/> 3001531853                               | J -32-21S-23E | 2310 FSL & 1650 FEL |
| <b>Well Name &amp; Number:</b> NEW MEXICO DF STATE COM No. 004 |               |                     |
| <b>Operator:</b> CHEVRON U S A INC                             |               |                     |
| <input type="radio"/> 3001536075                               | G -32-21S-23E | 2636 FNL & 2362 FEL |
| <b>Well Name &amp; Number:</b> ENCORE 32 LOAFER COM No. 001    |               |                     |
| <b>Operator:</b> ENCORE OPERATING LP                           |               |                     |

*Upper Penn*

*Upper Penn*

*Morrow*

*Morrow*

4 Records Found

Displaying Screen 1 of 1