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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [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 - Directional Drilling
☒ NSL ☐ NSP ☐ DD ☐ SD

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Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

Oil Conservation Division

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
[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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

C. WADE HOWARD

Print or Type Name

C. Wade Howard

Signature

ENGINEER ASSISTANT

Title

12/12/96

Date

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
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JACK M. CAMPBELL
OF COUNSEL

HAND-DELIVERED

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

February 26, 1997

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

RECEIVED
FEB 26 1997
Oil Conservation Div.

Re: *Application of Texaco Exploration and Production Inc., for Administrative Approval of an Unorthodox Well Location for its A. H. Blinebry Federal NCT-1 Well No. 48, 1330 feet from the North line and 1155 feet from the West line of Section 29, Township 22 South, Range 38 East, N.M.P.M., Lea County, New Mexico.*

Dear Mr. LeMay:

Texaco Exploration and Production Inc. ("Texaco"), hereby seeks administrative approval pursuant to the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules for the Blinebry Oil and Gas Pool and Special Rules for the Tubb Oil and Gas Pool", as promulgated by Division Order No. R-8170, as amended, and Division Rule 104 F (2) of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division") revised by Division Order No. R-10533, issued by the New Mexico Oil Conservation Commission in Case 11,351 on January 18, 1996, of an unorthodox well location for its A. H. Blinebry NCT-1 Well No. 48 to be drilled at an unorthodox well location 1330 feet from the North line and 1155 feet from the West line Section 29, Township 22 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

This location in the Blinebry, Tubb, Drinkard and Abo formations is unorthodox because it is located within the South Brunson Drinkard-Abo Pool, the Blinebry Oil and Gas Pool and the Tubb Oil and Gas Pool which are governed by the General Rules and Regulations of the Division or by Special Rules (Order No. R-8170, as amended) that provide for wells to be located no closer than 330 feet to the nearest boundary of the dedicated tract.

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
February 26, 1997
Page 2

This unorthodox location is required by geological conditions. Attached hereto as Exhibit A is a Structure Map on the top of the Glorieta which shows the proposed unorthodox location. This exhibit demonstrates that moving to the proposed unorthodox location results in a substantial gain in reservoir quality rock.

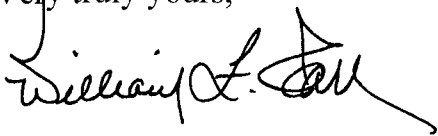
Attached hereto as Exhibit B is a plat showing the subject spacing unit, the proposed unorthodox well location, the offsetting wells and the diagonal and adjoining 40-acre oil spacing units.

This well will be the second well on this 40-acre oil spacing and proration unit. This tract and all offsetting spacing units are covered by the A. H. Blinebry NCT-1 lease which is operated by Texaco. Accordingly, there are no affected parties to whom notice of this application should be given.

Also enclosed is a proposed administrative order.

Your attention to this application is appreciated.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a stylized flourish at the end.

WILLIAM F. CARR
Attorney for Texaco Exploration and Production Inc.
Enclosures
WFC:mlh

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources

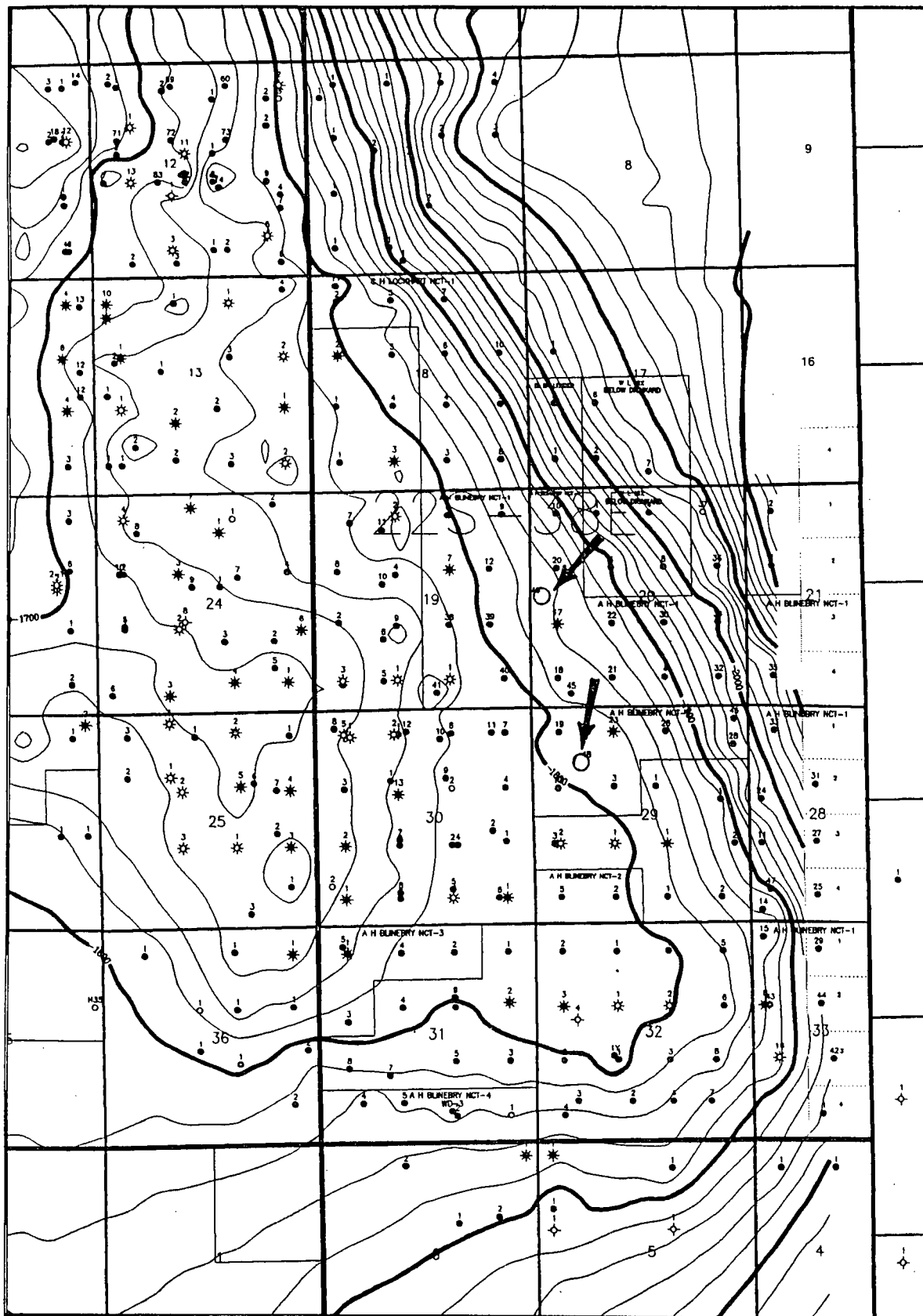
February 26, 1997

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cc: Mr. Ron Lanning
Texaco Exploration and Production Inc.
500 North Loraine
Midland, TX 79701

Bureau of Land Management
1717 W. Second Street
Roswell, New Mexico 88201-2019

Oil Conservation Division
District I
Box 1980
Hobbs, New Mexico 88240



Scale 1:44516.33



TEXACO EXPLORATION & PRODUCTION INC.

A.H. BLINEBRY LEASES
TOP GLORIAETA STRUCTURE

CL 29

Scale 1:44516.33

R.E. May

Exhibit A

DISTRICT I
P. O. Box 1980, Hobbs, NM 88240

DISTRICT II
P. O. Drawer DD, Artesia, NM 88210

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

DISTRICT IV
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office:

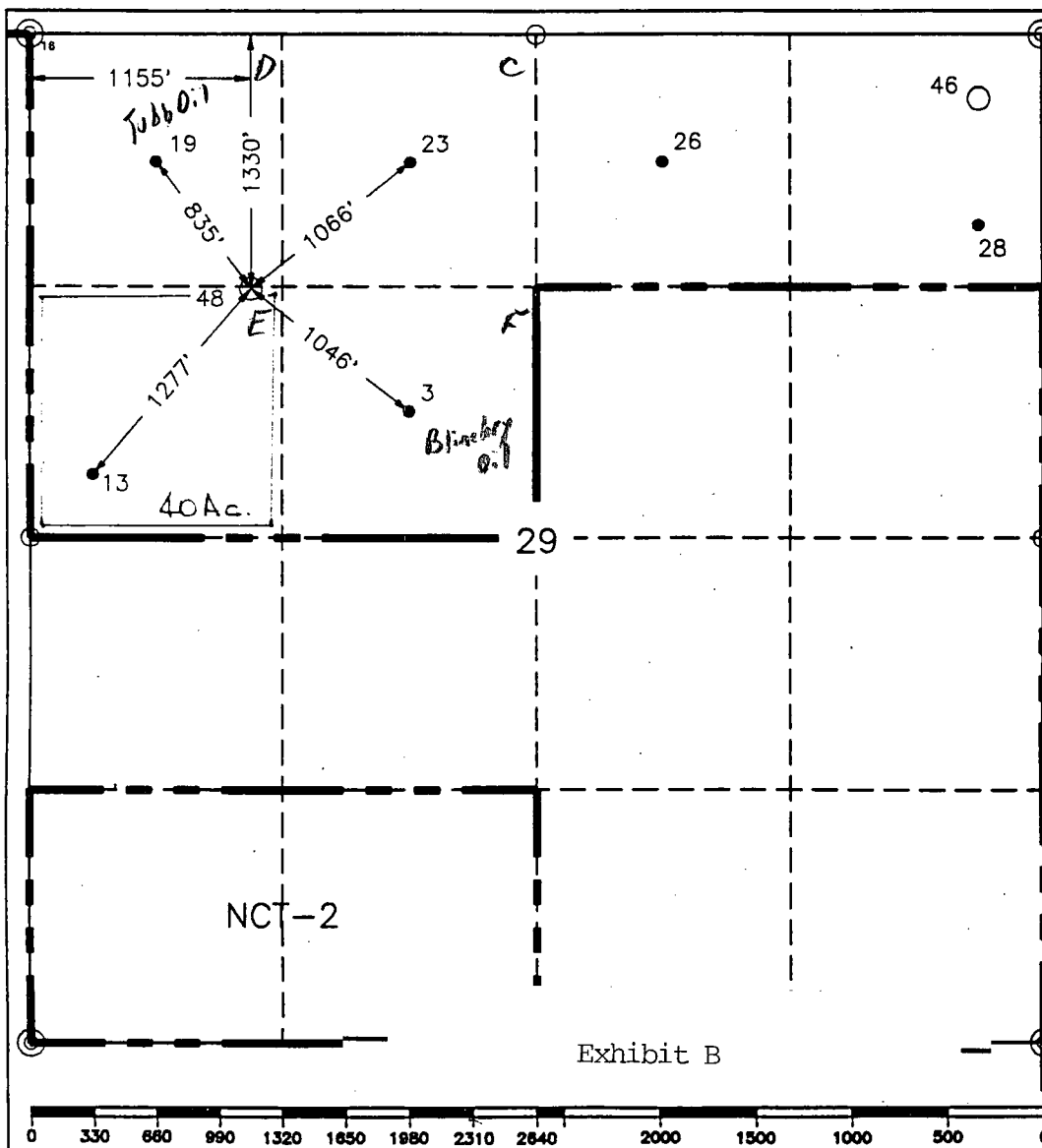
State Lease-4 copies
Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name South Branson Drinkard-ABO; Tubb; Blinebry					
Property Code 10899		5 Property Name A. H. Blinebry Federal Nct-1						8 Well Number 48	
7 OGRID No. 22351		9 Operator Name TEXACO EXPLORATION & PRODUCTION, INC.						6 Elevation 3390'	
10 Surface Location									
UL or lot no. E	Section 29	Township 22-S	Range 38-E	Lot Idn	Feet from the 1330'	North/South line North	Feet from the 1155'	East/West line West	7 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	7 County
12 Dedicated Acres 40		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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.



16 OPERATOR CERTIFICATION

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

Signature

Printed Name

Position

Engineer's Assistant

Company

Texaco Expl. & Prod. Inc.

Date

October 11, 1996

17 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.

Date Surveyed

October 3, 1996

Signature & Seal of
Professional Surveyor

Certificate No.

7254 John S. Piper

Sheet 8 of 8

(DATE)

DRAFT ADMINISTRATIVE ORDER

Texaco Exploration and Production Inc.
Post Office Box 3109
Midland, Texas 79702

Attention: C. Wade Howard

Administrative Order NSL-_____

Dear Mr. Howard:

Reference is made to your application dated February 26, 1997 for an unorthodox well location for the South Brunson-Drinkard Abo Pool, the Blinebry Oil and Gas Pool and the Tubb Oil and Gas Pool for the proposed A. H. Blinebry Federal NCT-1 Well No. 48. Said well to be drilled 1330 feet from the North line and 1155 feet from the West line (Unit E) of Section 29, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

The existing standard 40-acre oil spacing and proration unit in the South Brunson-Drinkard Abo Pool comprising the SW/4 NW/4 of said Section 29, which is presently dedicated to the A. H. Blinebry Federal NCT-1 Well No. 13 (**API No. 30-025-12156**), located at a standard oil well location 2310 feet from the North line and 330 feet from the West line (Unit E) of said Section 29, and said 40-acre tracts to form standard 40-acre oil spacing and proration units in the Blinebry Oil and Gas Pool and the Tubb Oil and Gas Pool, are to be dedicated to said well.

By authority granted me under the provisions of **Rule 2(d)** of the "General Rules for the prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blinebry Oil and Gas Pool and the Tubb Oil and Gas Pool," as promulgated by Division Order No. R-8170, as amended, and **Rule 104.F(2)** of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the New Mexico Oil Conservation Commission in Case 11,351 on January 18, 1996, the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay
Director

cc: Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Roswell