NSL-011. N/13

April 2, 2002

Dominion Oklahoma Texas Exploration, Inc. 14000 Quail Springs Parkway #600 Oklahoma City, Oklahoma 73134-2600 Telefax No. (405) 749-6662

Attention:

Joe W. Hammond

Administrative Order NSL-47/9

Dear Mr. Hammond:

Reference is made to the following: (i) your initial application dated February 25, 2002 that was submitted to the New Mexico Oil Conservation Division ("Division") on March 15, 2002 (application reference No. pKRV0-207457116); (ii) the Division's initial response by letter from Mr. Michael E. Stogner, Engineer/Chief Hearing Officer in Santa Fe dated March 19, 2002; (iii) your amended application filed with the Division on March 27, 2002; and (iv) the records of the Division: all concerning your request for an exception to Rule 4 of the "Special Rules and Regulations for the South Empire-Wolfcamp Pool," as promulgated by Division Order No. R-4784, as amended, for its existing Geronimo "36" State Well No. 1 (API No. 30-015-31185), recently completed at an unorthodox oil well location 1060 feet from the North line and 1980 feet from the West line (Unit C) of Section 36, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.

The N/2 NW/4 of Section 36 is to be dedicated to this well in order to form a standard 80-acre lay-down oil spacing and proration unit for the South Empire-Wolfcamp Pool (22430).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case 12119 on August 12, 1999.

It is understood that the N/2 and the N/2 S/2 of Section 36 is a single state lease issued by the New Mexico State Land Office (State Lease No. X-00647) in which Dominion Oklahoma Texas Exploration, Inc. is the leasehold operator and all mineral interest is common; therefore, there are no adversely effected offsets to the subject 80-acre tract.

By the authority granted me under the provision Rule 5 of these special pool rules and Division Rule 104.F (2), the above-described unorthodox Wolfcamp oil well location is hereby approved.

Further, the aforementioned well and spacing unit will be subject to all existing rules, regulations, policies, and procedures applicable to this pool.

Sincerely,

(4-16)

Lori Wrotenbery Director

# LW/MES/kv

cc:

New Mexico Oil Conservation Division – Artesia

New Mexico State Land Office – Santa Fe

Dominion Exploration & Production, Inc. 14000 Quail Springs Parkway #600. Oklahoma Crty, OK 13134-2000



March 25, 2002

22430

Mr. Michael Stogner New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505 MAR 27

Re:

Application for Unorthodox Location (Amended)

Geronimo "36" State #1

Township 17 South, Range 28 East Section 36: 1060' FNL & 1980' FWL

Eddy County, New Mexico

Dear Mr. Stogner:

Pursuant to your letter of March 19, 2002, please find enclosed the amended application for your further review and handling.

Your assistance in this matter is appreciated and should you have any questions or need further information, please do not hesitate to call.

Sincerely,

DOMINION OKLAHOMA TEXAS EXPLORATION & PRODUCTION, INC.

Joe W. Hammond, CPL

Staff Landman

JWH:rec

Dominion

Joe W. Hammond Staff Landman Onshore - Western U.S.

Dominion Exploration & Production, Inc.
1400n) Quail Springs Parkway, Suite 600, Oklahoma City, OK 73134
Phone: 405.749.5279, Lax: 405.749-6662
1-mail: Joe. W. Hammond@dom.com

#### **Dominion Exploration & Production, Inc.** 14000 Quail Springs Parkway, #600, Oklahoma Cir., OK 731/34/2000



Phone: 405 749-5279; Land Fax: 405 749-6662

March 25, 2002

VIA Overnight Mail

Mr. Michael Stogner New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Re: Application for Unorthodox Location (Amended)

Geronimo "36" State #1

Township 17 South, Range 28 East Section 36: 1060' FNL & 1980' FWL

Eddy County, New Mexico

Dear Mr. Stogner:

Dominion Oklahoma Texas Exploration & Production, Inc. (Dominion), successor by merger with Louis Dreyfus Natural Gas Corp., respectfully requests administrative approval for an unorthodox Wolfcamp oil well, the Geronimo "36" State #1. The well is located on State of New Mexico Lease #647, 1060' FNL and 1980' FWL of Section 36, Township 17 South, Range 28 East, Eddy County, New Mexico. The well was originally drilled to and produced from the Morrow formation.

This well does not comply with the existing Special Rules and Regulations for the South Empire Wolfcamp Pool. The Pool rules require the well location for oil wells on 80-acre spacing to be located within 150' of the center of the quarter quarter section. The well is currently non-standard by 250 feet.

Please find enclosed Forms C-101. C-102, land plat, geological exhibit and a notification list of offset operators and/or owners including letters of waiver. Notification to the offset operators and/or owners will be made by certified mail including a copy of this application letter with all attachments.

Dominion respectfully requests that this unorthodox location be administratively approved if no objections are received within the cited twenty (20) days as required by OCD regulations, or earlier if waivers are received.

Please call me at (405) 749-5279 if you need further information.

Sincerely,

DOMINION OKLAHOMA TEXAS EXPLORATION & PRODUCTION, INC.

Staff Landman

Joe W. Hammond, CPL

JWH:rec Encls.

# Pistric.

PO Box 1980, Hobbs, NM 88241-1980

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV 2040 South Pacheco, Santa Fe, NM 87505

# State of New Mexico "y, Minerals & Natural Resources Department

Form C-101 Revised October 18, 1994 Instructions on back

5 189 10111213 kg/s OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Submit to Appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies

AMENDED REPORT

<sup>2</sup> OGRID Number

OR ADD A ZONE APPLICATION FOR PERMIT TO DRILL, RE-ENTER

1 Operator Name and Address.

Louis Dreyfus Natural Gas Corporation 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134

UL or lot no. Section Township Range Lot Idn

025773

East/West line

3 API Number 30-015-3118

County

<sup>5</sup> Property Name

Feet from the North/South line Feet from the

Well No.

Geronimo "36" State Com

Surface Location

Empire South ( Morrow)									
Proposed Pool 1 Proposed Pool 2									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>8</sup> Proposed Bottom Hole Location If Different From Surface									
С	36	17S	28E		1060	North	1980	West	Eddy

" Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lesse Type Code P	<sup>15</sup> Ground Level Elevation 3680
<sup>16</sup> Multiple	17 Proposed Depth	18 Formation	19 Contractor	<sup>20</sup> Spud Date
N	11,050'	Morrow	Patterson	8/1/00

Minimum WOC time Ahra. 21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17_1/2"	13 3/8"	54.5#	425'	450 sks	Surface
12 1/4"	9 5/8"	36#	2,700'	900 sks	Surface
8 3/4"	5 1/2"	17#	11,050'	1300 sks	Tie back to 9 5/8"

<sup>&</sup>lt;sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

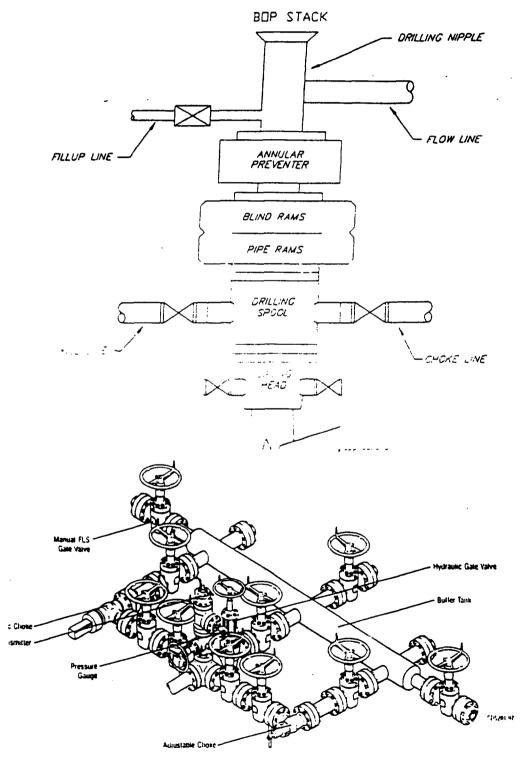
- 1. Drill 17 1/2" hole to  $\pm$  425'. Run 13 3/8" csg. and cement to surface w/450 sks. cement.
- 2. Drill 12 1/4" hole to  $\pm 2,700$ '. Set 9 5/8" csg. and cement to surface w/900 sks cement.
- 3. Drill 8 3/4" hole to  $\pm$  11,050'. Run 5 1/2" csg. and cement to 9 5/8" w/1300 sks cement.

See attached "Exhibit 6" for BOP assembly.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION				
Signature: Carlo Mustian	Approved by: BGA Lim W. Sum				
Printed name: Carla Christian	Title: Ditait Supervisor				
Title: Regulatory Technician	Approval Date: JUN 1 3 2000 Expiration Date: 1 3 2001				
Date: 6/09/00 Phone: (405) 749-5263	Conditions of Approval: Attached □				

Exhibit 6

# TYPICAL 5,000 p.s.i. BLOWOUT PREVENTER & CHOKE MANIFOLD SCHEMATIC



Typical Choke Manifold Designed for Land Drilling Applications

DISTRICT 1
1625 N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco, Santa Fe, NM 87505

DISTRICT III

DISTRICT IV



# State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999

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

# OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87504-2088

M AMENDED REPORT

# WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code Pool Name		
30-015-31185	South Empire; Wolfcamp		
Property Code 26070	Property Name GERONIMO "36" STATE	Well Number	
OGRID No. 025773	Operator Name  Dominion Oklahoma Texas Exploration & Prod., Inc.	Elevation 3680'	

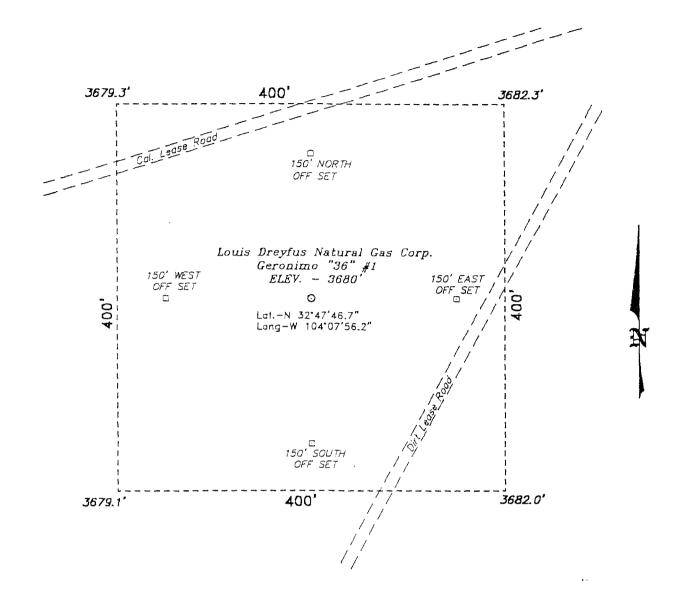
### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	36	17 S	28 E		1060	NORTH	1980	WEST	EDDY
	11.		Bottom	Hole Loc	eation If Diffe	erent From Sur	face		
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acre	s Joint o		nsolidation	Code Or	der 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

State Lease   647	3679.3' 3682.3'	Lat.: N32°47'46.7"   Long.: W104°07'56.2"	OPERATOR CERTIFICATION  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature
	3679.1' 3682.0'		Gene Simer Printed Name  Dist. Ops. Mgr. Title March 22, 2002 Date  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 supervison, and that the same is true and correct to the best of my belief.
			May 26, 2000  Date Surveyed  Signature & Sent of Professional Surveyor  W.O. No. 0303  Certificate No. 9 ory U. Jones 7977  BASIN SURVEYS

SECTION 36, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF US HWY 82 AND STATE HWY 360, GO EAST ON HWY 82 APPROX. 0.25 MILE TO A POINT WHICH LIES APPROX. 2500 FEET NORTH OF THE PROPOSED WELL LOCATION.

BASIN SURVEYS P.O. BOX 1786 -HOBBS, NEW MEXICO

N.O. Number: 0301 Drawn By: K. GOAD

100 0 100 200 FEET

SCALE: 1" = 100'

# Louis Dreyfus Natural Gas Corp.

REF: Geronimo "36" #1 / Well Pad Topo

THE GERONIMO "36" No. 1 LOCATED 1060' FROM
THE NORTH LINE AND 1980' FROM THE WEST LINE OF
SECTION 36, TOWNSHIP 17 SOUTH, RANGE 28 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.



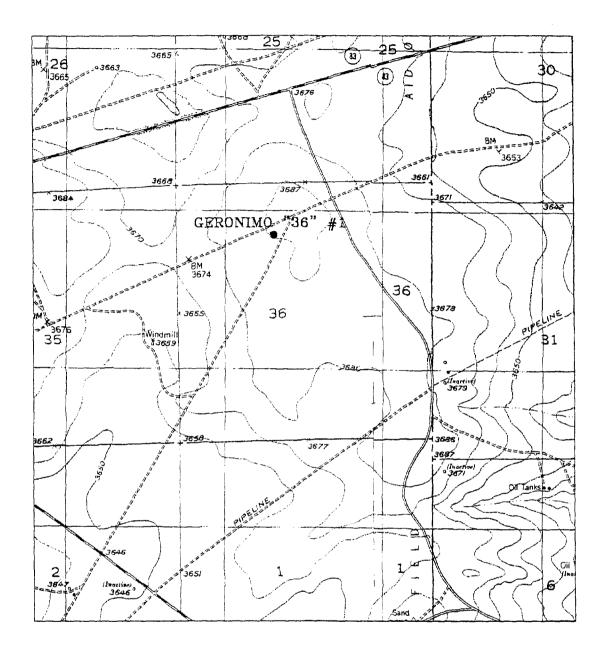
GERONIMO "36" #1 Located at 1060' FNL and 1980' FWL Section 36, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fax

W.O. Number:	0301AA - KJG #122
Survey Date:	05-26-2000
Scale: :" =	2 MILES

LOUIS DREYFUS
NATURAL GAS
CORPORATION



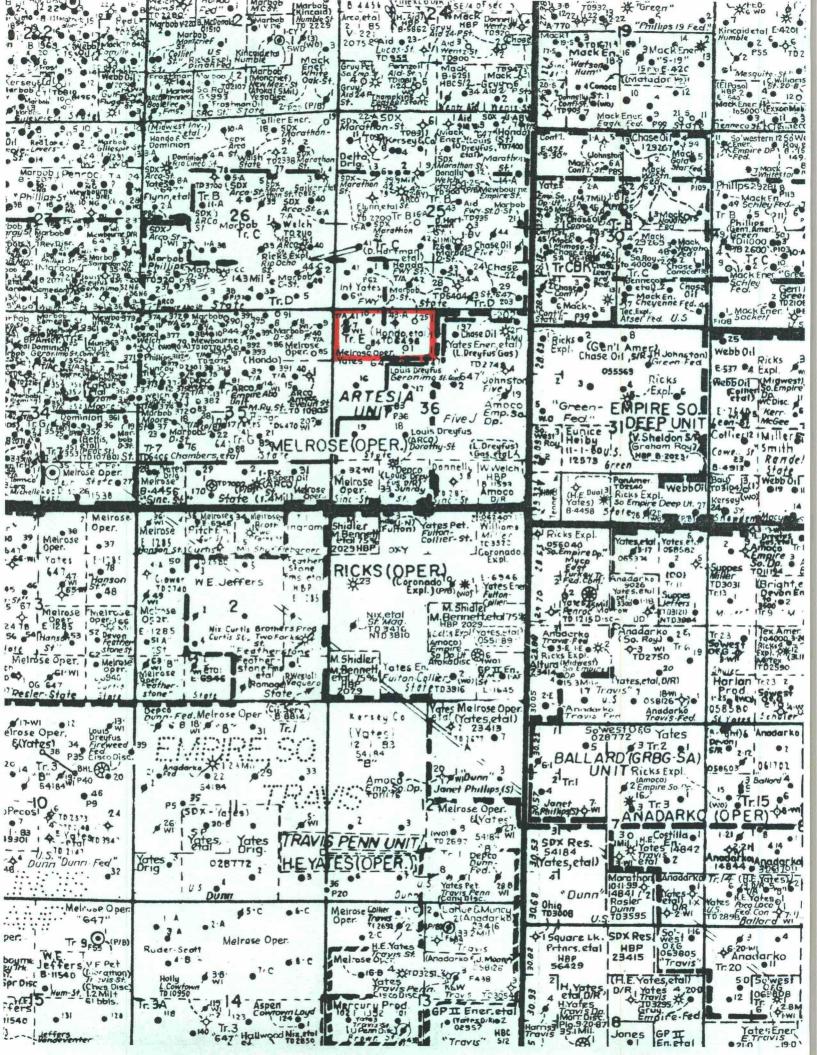
GERONIMO "36" #1 Located at 1060' FNL and 1980' FWL Section 36, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fax

W.O. Number:	0301AA -	- KuG	#122
Survey Date:	05-26-2	000	· · · · · · · · · · · · · · · · · · ·
Scale: 1" = 2	00C,		.,

LOUIS DREYFUS
NATURAL GAS
CORPORATION

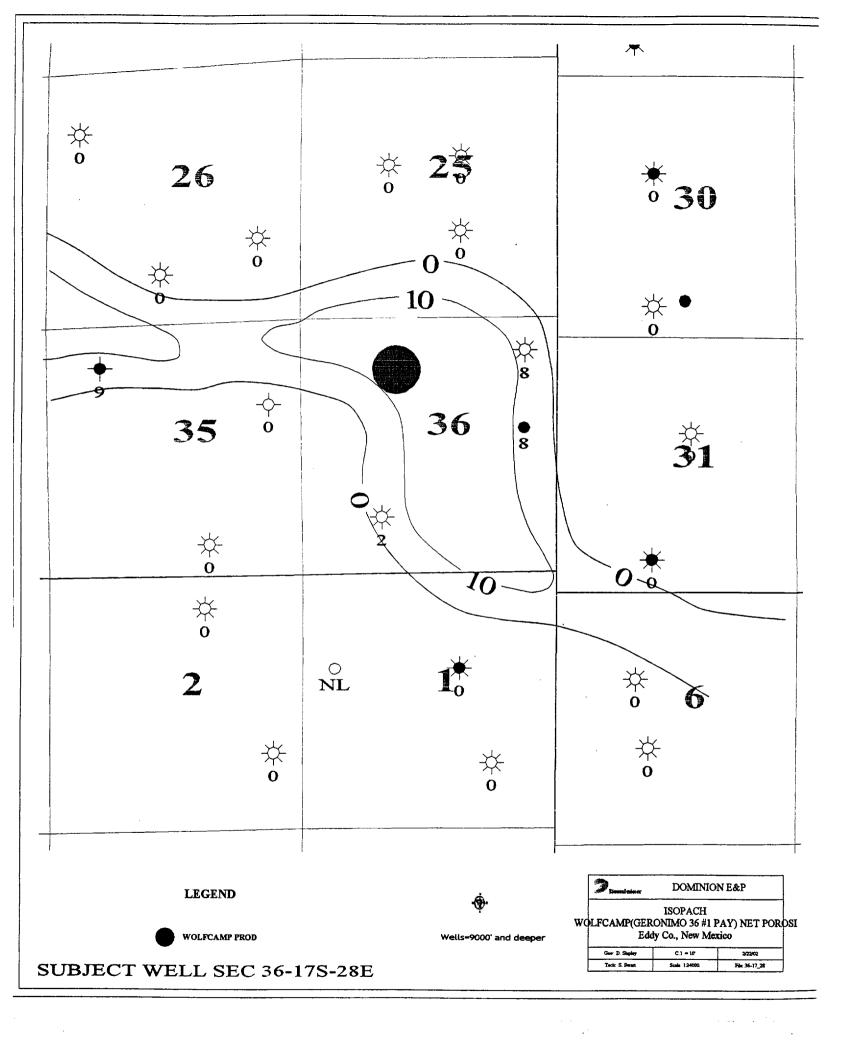


# NOTIFICATION LIST OF OFFSET OPERATORS/LEASEHOLD OWNERS

Unorthodox Location
Geronimo "36" State #1

Township 17 South, Range 28 East
Section 36: 1060' FNL & 1980' FWL
Eddy County, New Mexico

- Chase Oil Corporation
   P.O. Box 1767
   Artesia, New Mexico 88211
- Ricks Exploration II, LP
   3000 Oklahoma Tower
   210 Park Avenue
   Oklahoma City, Oklahoma 73102
- 3. Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210



#### **Dominion Exploration & Production, Inc.** 14000 Quail Springs Parkway, #600, Oklahoma City. OK 73134-2600



Phone: 405 749-5279; Land Fax: 405 749-6662

March 26, 2002

Via Certified Mail

Mr. Larry Fenity Ricks Exploration II, LP 3000 Oklahoma Tower 210 Park Avenue Oklahoma City, Oklahoma 73102

Re:

Offset Operator/Leasehold Notification (Amended)

Unorthodox Location Geronimo "36" State #1

Township 17 South, Range 28 East Section 36: 1060' FNL & 1980' FWL

Eddy County, New Mexico

# Dear Larry:

Dominion Oklahoma Texas Exploration & Production, Inc. (Dominion), successor by merger with Louis Dreyfus Natural Gas Corp., has been advised by the Oil Conservation Division that the Geronimo "36" State #1 is located at an unorthodox location which is described above. This location does not comply with existing well spacing and location rules for the South Empire Wolfcamp Pool. The Pool rules require the well location for oil wells on 80-acre spacing to be located within 150' of the center of the quarter quarter section.

If you have no objections to this location please signify your approval by signing one copy of this letter in the space provided below and returning same to the undersigned. Any objection must be filed in writing with the New Mexico Oil Conservation Division within twenty (20) days from the date of this notice.

The undersigned hereby waives any objection to the unorthodox location of Dominion's Geronimo "36" State #1 well.

Sincerely.

DOMINION OKLAHOMA TEXAS EXPLORATION & PRODUCTION, INC.

Joe W. Hammond, CPL

Staff Landman

Ricks	Exp.	loration	Ш, і	LP
-------	------	----------	------	----

Name:_	 		
Title:_			
Date:	 	-	



Phone: 405 749-5279; Land Fax: 405 749-6662

March 26, 2002

Via Certified Mail

Mr. Ron Lanning Chase Oil Corporation P. O. Box 1767 Artesia, New Mexico 88211-1767

Re:

Offset Operator/Leasehold Notification (Amended)

Unorthodox Location Geronimo "36" State #1

Township 17 South, Range 28 East Section 36: 1060' FNL & 1980' FWL

Eddy County, New Mexico

Dear Ron:

Dominion Oklahoma Texas Exploration & Production, Inc. (Dominion), successor by merger with Louis Dreyfus Natural Gas Corp., has been advised by the Oil Conservation Division that the Geronimo "36" State #1 is located at an unorthodox location which is described above. This location does not comply with existing well spacing and location rules for the South Empire Wolfcamp Pool. The Pool rules require the well location for oil wells on 80-acre spacing to be located within 150' of the center of the quarter quarter section.

If you have no objections to this location please signify your approval by signing one copy of this letter in the space provided below and returning same to the undersigned. Any objection must be filed in writing with the New Mexico Oil Conservation Division within twenty (20) days from the date of this notice.

The undersigned hereby waives any objection to the unorthodox location of Dominion's Geronimo "36" State #1 well.

Sincerely,

Date:

DOMINION OKLAHOMA TEXAS EXPLORATION & PRODUCTION, INC.

Joe W. Hammond, CPL
Staff Landman

	_		
Name:			
Title:	<del></del>		

**Chase Oil Corporation** 

## **Dominion Exploration & Production, Inc.** 14000 Quail Springs Parkway, #600, Oklahoma City, OK 73134-2600



Phone: 405 749-5279; Land Fax: 405 749-6662

March 26, 2002

Via Certified Mail

Mr. Robert Bullock Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

Re:

Offset Operator/Leasehold Notification (Amended)

Unorthodox Location Geronimo "36" State #1 Township 17 South, Range 28 East Section 36: 1060' FNL & 1980' FWL

Eddy County, New Mexico

#### Dear Robert:

Dominion Oklahoma Texas Exploration & Production, Inc. (Dominion), successor by merger with Louis Dreyfus Natural Gas Corp., has been advised by the Oil Conservation Division that the Geronimo "36" State #1 is located at an unorthodox location which is described above. This location does not comply with existing well spacing and location rules for the South Empire Wolfcamp Pool. The Pool Rules require the well location for oil wells on 80-acre spacing to be located within 150' of the center of the quarter quarter section.

If you have no objections to this location please signify your approval by signing one copy of this letter in the space provided below and returning same to the undersigned. Any objection must be filed in writing with the New Mexico Oil Conservation Division within twenty (20) days from the date of this notice.

The undersigned hereby waives any objection to the unorthodox location of Dominion's Geronimo "36" State #1 well.

Sincerely,

DOMINION OKLAHOMA TEXAS EXPLORATION & PRODUCTION, INC.

ree W. Hammond, CPL

Staff Landman

### Yates Petroleum Corporation

Name:	
Title:	
Date:	



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

March 19, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Dominion Oklahoma Texas Exploration & Production, Inc. 14000 Quail Springs Parkway – No. 600 Oklahoma City, Oklahoma 73134-2600

Telefax No. (405) 749-6662

Attention:

Joe W. Hammond

**Re:** Administrative application filed with the New Mexico Oil Conservation Division ("Division") on March 15, 2002 (application reference No. pKRV0-207457116) for an unorthodox Wolfcamp oil well location for the existing Geronimo "36" State Well No. 1 (API No. 30-015-31185) located 1060 feet from the North line and 1980 feet from the West line (Unit C) Section 36, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.

Dear Mr. Hammond:

My review of your application indicates that this well is within one-half mile of the South Empire-Wolfcamp Pool and is therefore governed by the "Special Rules and regulations for the South Empire-Wolfcamp Pool", as promulgated by Division Order No. R-4784, as amended (see copy attached), which requires 80-acre spacing.

This application is therefore deemed incomplete. Please amend your application accordingly and provided me a copy of an amended C-102 indicating the appropriate acreage dedication.

Please submit the above stated information by Thursday, March 28, 2002.

The Division cannot proceed with your application until the required information is submitted. Upon receipt, the Division will continue to process your application. The additional information can be faxed to (505) 476-3471, or mailed to the Division in Santa Fe. If the necessary information is not submitted, your application will be returned to you.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465 or e-mail me at "mstogner@state.nm.us." Thank you.

Sincerely

Michael E. Stogner Chief Hearing Officer/Engineer

cc:

New Mexico Oil Conservation Division - Artesia

New Mexico State Land Office - Santa Fe



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Betty Rivera
Cabinet Secretary

March 19, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Dominion Oklahoma Texas Exploration & Production, Inc. 14000 Quail Springs Parkway – No. 600 Oklahoma City, Oklahoma 73134-2600

Telefax No. (405) 749-6662

Attention:

Joe W. Hammond

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Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465 or e-mail me at "mstogner@state.nm.us." Thank you.

Sincerely

Michael E. Stogner Chief Hearing Officer/Engineer

cc:

New Mexico Oil Conservation Division – Artesia New Mexico State Land Office – Santa Fe

Oil Conservation Division \* 1220 South St. Francis Drive \* Santa Fe, New Mexico 87505 Phone: (505) 476-3440 \* Fax (505) 476-3462 \* <a href="http://www.emnrd.state.nm.us">http://www.emnrd.state.nm.us</a>

ABOVE THIS LINE FOR DIVISION USE ONLY

# NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



# **ADMINISTRATIVE APPLICATION CHECKLIST**

Т	H <b>IS CHECKLI</b> ST IS M		MINISTRATIVE APPLICATIONS JIRE PROCESSING AT THE DIV			REGULATIONS
Applic	ation Acronym		SP-Non-Standard Prorat	ion Unit1 [SD-Si	multaneous Dedic	ation1
	[DHC-Dow	nhole Commingling	CTB-Lease Commir	gling] [PLC-Pe	ool/Lease Commin	gling]
	[PC-Pc		[OLS - Off-Lease Storag xpansion]  [PMX-Press	•	ease Measuremen :e Expansion]	t]
	IEOD Out	[SWD-Salt Wat	ter Disposal] [IPI-Inject Recovery Certification]	ction Pressur <u>e</u> In		1
	_		_		Production Respo	vužel
[1]	TYPE OF AI [A]		eck Those Which Apply g Unit - Simultaneous Do		MAR 1 5 2	
	Check [B]		orage - Measurement	PC OLS	OLM	
	[C]		al - Pressure Increase - E PMX SWD S	nhanced Oil Reco	overy PPR	
	[D]	Other: Specify				
[2]	NOTIFICAT [A]		TO: - Check Those Which yalty or Overriding Royalty			
	[B]	Offset Operat	tors, Leaseholders or Sur	face Owner		
	[C]	Application i	s One Which Requires P	ublished Legal N	otice	
	[D]	Notification a U.S. Bureau of Land	and/or Concurrent Appro Management - Commissioner of Publ	eval by BLM or S lic Lands, State Land Office	LO :e	
	[E]	For all of the	above, Proof of Notifica	tion or Publication	on is Attached, and/	or,
	[F]	Waivers are A	Attached			
[3]		CCURATE AND CO ATION INDICATE	OMPLETE INFORMA CD ABOVE.	TION REQUIR	ED TO PROCESS	S THE TYPE
	val is <mark>accur</mark> ate a	and complete to the b	tify that the information best of my knowledge. I and notifications are subr	also understand t	that no action will	
	Note	e: Statement must be co	empleted by an individual with	n managerial and/or	supervisory capacity.	
Joe Print	W. Hamm or Type Name	nond Jeele	bannel	Staff I	andman	<u>2-26-02</u> Date
		U		<u>Joe _ W</u> e-mail Addre	Landman 2_ Hammond C	dom. com

### **Dominion Exploration & Production, Inc.** 14000 Quail Springs Parkway, #600. Oklahoma Circ. Ok T3134-3600

Dominion

Phone: 405 749-5279; Land Fax: 405 749-6662

February 25, 2002

Mr. Michael Stogner New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87508 Return Receipt Requested

Certified Mail

Re:

Application for Unorthodox Location

Geronimo "36" State #1

Township 17 South, Range 28 East Section 36: 1060' FNL & 1980' FWL

Eddy County, New Mexico

Dear Mr. Stogner:

Dominion Oklahoma Texas Exploration & Production, Inc. (Dominion), successor by merger with Louis Dreyfus Natural Gas Corp., respectfully requests administrative approval for an unorthodox Wolfcamp oil well, the Geronimo "36" State #1. The well is located on State of New Mexico Lease #647, 1060' FNL and 1980' FWL of Section 36, Township 17 South, Range 28 East, Eddy County, New Mexico. The well was originally drilled to and produced from the Morrow formation.

This well does not comply with existing well spacing and location rules for oil wells. Division Rule 104 requires the well location for oil wells on 40-acre spacing to be 330 feet from the quarter-quarter section. The well is currently non-standard by 70 feet.

Please find enclosed Forms C-101, C-102, land plat, geological exhibit and a notification list of offset operators and/or owners including letters of waiver. Notification to the offset operators and/or owners will be made by certified mail including a copy of this application letter with all attachments.

Dominion respectfully requests that this unorthodox location be administratively approved if no objections are received within the cited twenty (20) days as required by OCD regulations, or earlier if waivers are received.

Please call me at (405) 749-5279 if you need further information.

Sincerely,

DOMINION OKLAHOMA TEXAS EXPLORATION & PRODUCTION, INC.

Joe W. Hammond, CPL

Staff Landman

JWH:rec Encls.

Pistric. 3 PO Bex 1980, Hobbs, NM 88241-1980

State of New Mexico

y, Minerals & Natural Resources Department

Revised October 18, 1994

Instructions on back

District II 811 South First, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Submit to Appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies

2040 South Pacheco, Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEFP. CAP	LLIGBACK, OR A	DD A ZONE
Operator Name and Address.	TESIA NO "	OGRID Number
Louis Dreyfus Natural Gas Corporation 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134	- C7. V.C. V.C. V.	025773
7229	-	3 API Number 0 15 - 3 11 8 5
Property Code 5 Property Name	,	' Well No.
Geronimo "36" State Com	· · · · · · · · · · · · · · · · · · ·	1

Surface Location

	Empire S	Propos	ed Pool 1				16 Propo	sed Pool 2	
UL or lot no.	Section .	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>8</sup> Proposed Bottom Hole Location If Different From Surface									
C	36	17S	28E		1060	North	1980	West	Eddy
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

" Work Type Code N	<sup>12</sup> Well Type Code <b>G</b>	<sup>13</sup> Cable/Rotary <b>R</b>	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3680
<sup>16</sup> Multiple	17 Proposed Depth	18 Formation	19 Contractor	<sup>20</sup> Spud Date
N	11,050'	Morrow	Patterson	8/1/00

Minimum WOC time Ahrs. 21 Proposed Casing and Cement Program

Hole Size Casing Size		Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC	
17 1/2"	12.2/01	54.54	4251	450 also	Surface	
17 1/2" 12 1/4"	13 3/8" 9 5/8"	54.5# 36#	2,700'	450 sks 900 sks	Surface Surface	
8 3/4"	5 1/2"	17#	11,050'	1300 sks	Tie back to 9 5/8"	
0.5/4	J 172	17/1	11,050	1300 383	THE BUCK TO 3 E	

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

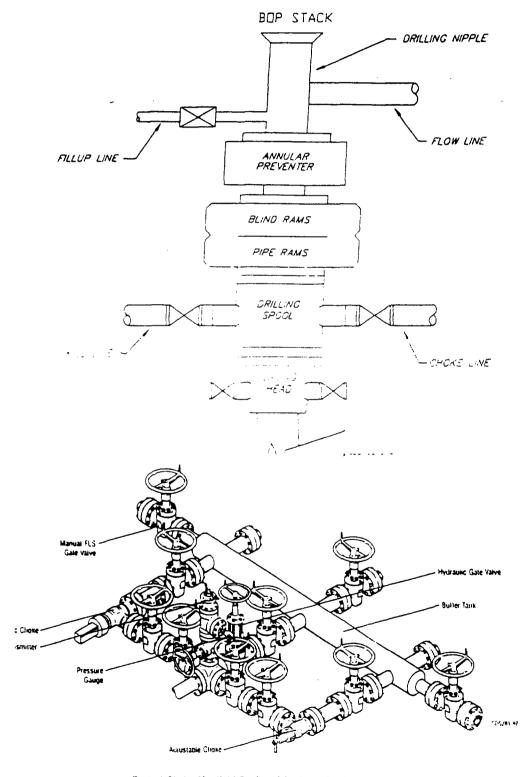
- 1. Drill 17 1/2" hole to  $\pm$  425'. Run 13 3/8" csg. and cement to surface w/450 sks. cement.
- 2. Drill 12 1/4" hole to  $\pm$  2,700'. Set 9 5/8" csg. and cement to surface w/900 sks cement.
- 3. Drill 8 3/4" hole to  $\pm$  11,050'. Run 5 1/2" csg. and cement to 9 5/8" w/1300 sks cement.

See attached "Exhibit 6" for BOP assembly.

<sup>23</sup> I hereby certify that the information given a my knowledge and belief.	bove is true and complete to the best of	OIL CONSERVATION DIVISION					
Signature: Calla M	ristian	Approved by:	B6A	Sim W.	Gum		
Printed name: Carla Christian		Title:		District	awisor		
Title: Regulatory Technician		Approval Date:	UN 132	Expiration Date:	<b>1</b> 3 2001		
Date: 6/09/00	Phone: (405) 749-5263	Conditions of App Attached	proval :				

Exhibit 6

# TYPICAL 5,000 p.s.i. BLOWOUT PREVENTER & CHOKE MANIFOLD SCHEMATIC



Typical Choke Manifold Designed for Land Drilling Applications

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

DISTRICT IV

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT III 1000 Rio Brazes Rd., Astec, NM 87410

2040 South Pachaco, Santa Fe, NM 57505

811 South First, Artesia, NM 88210

# OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87504-2088

AMENDED REPORT

# WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name			
30-015-31185	22420	22420 Empire; Wolfcamp			
Property Code	Prop	erty Name	Well Number		
26070	GERONI	MO "36" STATE	1		
OGRID No.	Oper	ator Name	Elevation		
025773	LOUIS DREYFUS NAT	URAL GAS CORPORATION	3680'		

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	36	17 S	28 E		1060	NORTH	1980	WEST	EDDY
				77 ) 7	.: 75 5155				

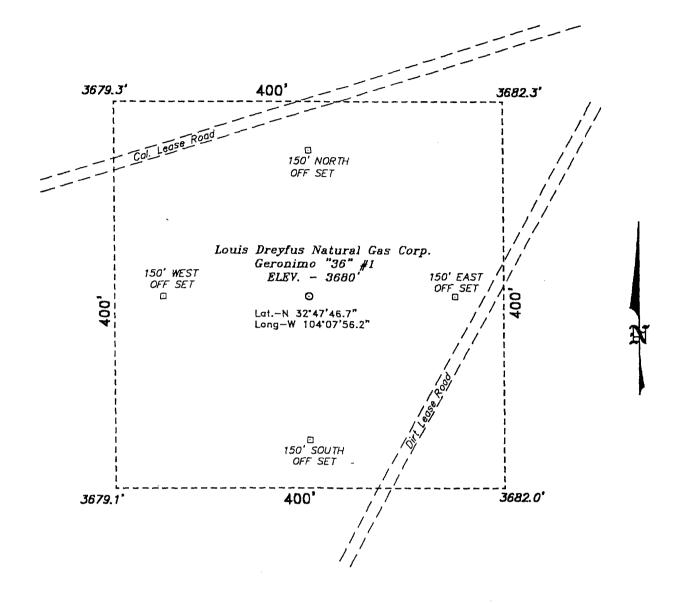
### Bottom Hole Location If Different From Surface

UL or lot No.	Section Towns	hip Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation	Code Or	der No.				
40	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

		DARD UNIT HAS BEE	
1980'—	State Lease 647 .08 .3679.3' .3682.3'	Lat.: N32*47`46.7" Long.: W104*07'56.2"	OPERATOR CERTIFICATION  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature  Gene Simer  Printed Name  Dist. Ops. Mgr.  Title  November 20, 2001  Date  SURVEYOR CERTIFICATION  I hereby certify that the well location shown on this plat was plotted from field notes of antual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.
	 		May 26, 2000  Date Surveyed Confession of Surveys  Professioner Surveys  Certification of Gary Mores 7977  BASIN SURVEYS

# SECTION 36, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

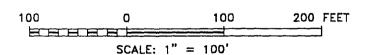


Directions to Location:

FROM THE JUNCTION OF US HWY 82 AND STATE HWY 360, GO EAST ON HWY 82 APPROX. 0.25 MILE TO A POINT WHICH LIES APPROX. 2500 FEET NORTH OF THE PROPOSED WELL LOCATION.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 0301 Drawn By: K. GOAD



# Louis Dreyfus Natural Gas Corp.

REF: Geronimo "36" #1 / Well Pad Topo

THE GERONIMO "36" No. 1 LOCATED 1060' FROM
THE NORTH LINE AND 1980' FROM THE WEST LINE OF
SECTION 36, TOWNSHIP 17 SOUTH, RANGE 28 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.



GERONIMO "36" #1 Located at 1060' FNL and 1980' FWL Section 36, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



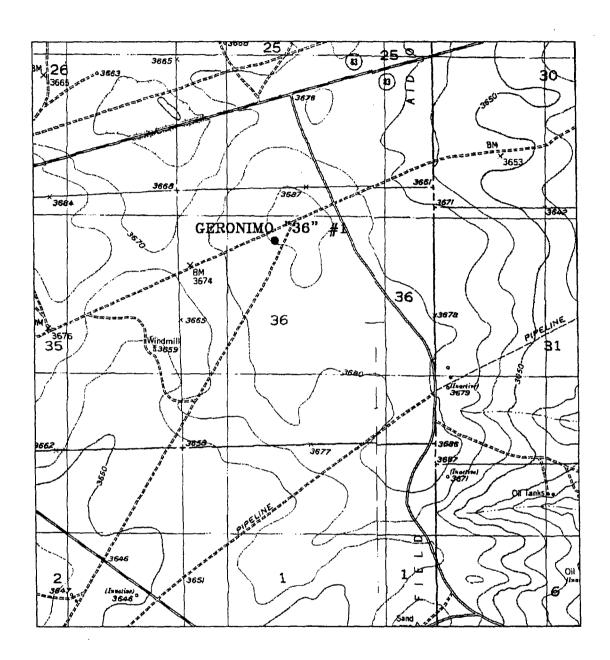
P.O. 80x 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax

W.O. Number: 0301AA - KJG #122

Survey Date: 05-26-2000

Scale: 1" = 2 MILES

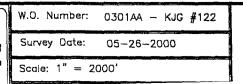
LOUIS DREYFUS
NATURAL GAS



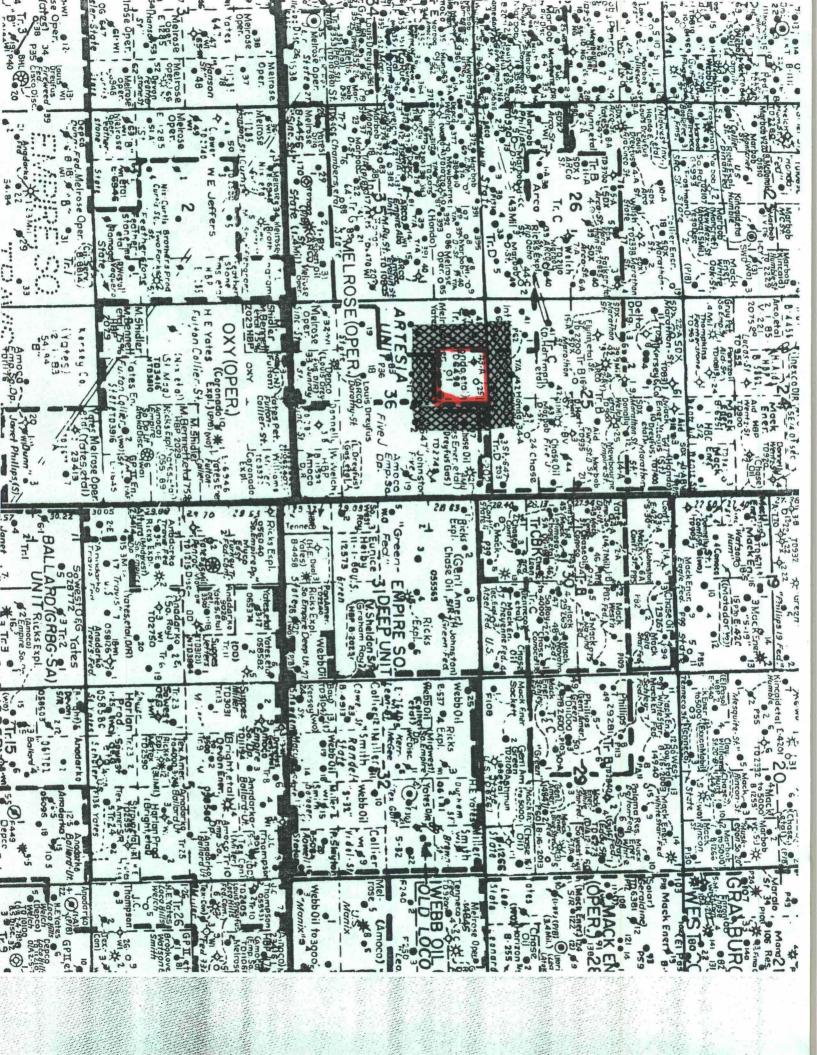
GERONIMO "36" #1 Located at 1060' FNL and 1980' FWL Section 36, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fax



LOUIS DREYFUS
NATURAL GAS



DISTRICT I 1625 R. French Dr., Hobbs, RM 88240 DISTRICT II 811 South First, Artesia, NM 88210

2940 South Pacheco, Santa Fe, NM 87505

DISTRICT III

DISTRICT IV

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999

Submit to Appropriate District Office State Lease - 4 Copies

Pee Lease - 3 Copies

#### 1000 Rio Brazes Rd., Astec, NM 87410 OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

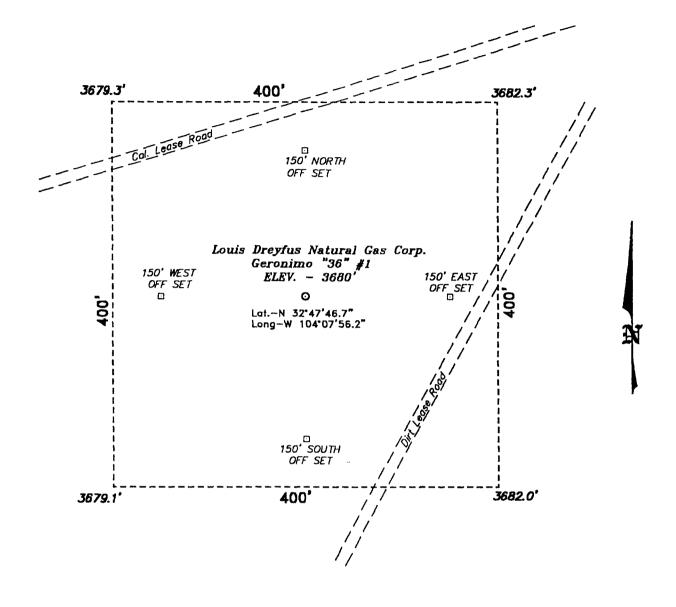
# WELL LOCATION AND ACREAGE DEDICATION PLAT

API	Number		Pool Code Pool Name						
			1		Emp	ire South (Me	orrow)		
					Property Nam			Well Nu	unber
		L		G	ERONIMO "3	6 STATE COL	M	1 1	
OGRID N	D.				Operator Nam	re		Eleva	ion
02577	3		LOUIS	DREYFUS	S NATURAL	GAS CORPORA	NOIT	368	0'
					Surface Loca	ation			
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	36	17 S	28 E		1060	NORTH	1980	WEST	EDDY
			Bottom	Hole Loc	ation If Diffe	rent From Sur	face		
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acre	Joint o	r Infill (	onsolidation	Code Ord	ler No.			*	·
222	1	1	_						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

	OR A NON-STAN	DARD UNIT HAS BEEN	ATTROVED BY THE	DIVISION
State Lease 647	3679.3' 3682.3' 3679.1' 3682.0'	Lat.: N32"47'46.7" Long.: W104"07'56.2"		OPERATOR CERTIFICATION  I hereby certify the the information contained herein is true and complete to the best of my bnowledge and belief.  Signature  Gene Simer  Printed Name  Dist. Ops. Mgr.  Title  05-31-00
	 			Date  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 supervison and that the same is true and correct to the best of my belief.  May 26, 2000  Date Survey 100068
State Lease B-949	State Lease B-11593			Professione Sur Marie Control Sur Marie Control Sur Marie Survey

SECTION 36, TOWNShIP 17 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.



Directions to Location:

FROM THE JUNCTION OF US HWY 82 AND STATE HWY 360, GO EAST ON HWY 82 APPROX. 0.25 MILE TO A POINT WHICH LIES APPROX. 2500 FEET NORTH OF THE PROPOSED WELL LOCATION.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O.	Number:	0301		Di	rawn	Ву:	K. GOAD
Date:	05-30-	2000	Disk: H	(JG	#122	_	0279A.DWG

100 0 100 200 FEET

SCALE: 1" = 100'

# Louis Dreyfus Natural Gas Corp.

REF: Geronimo "36" #1 / Well Pad Topo

THE GERONIMO "36" No. 1 LOCATED 1060' FROM
THE NORTH LINE AND 1980' FROM THE WEST LINE OF
SECTION 36, TOWNSHIP 17 SOUTH, RANGE 28 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 05-26-2000 Sheet 1 of 1 Sheets



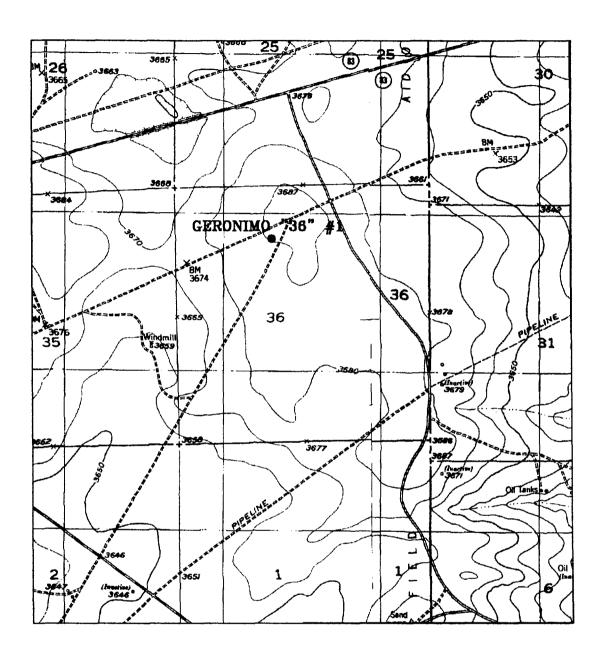
GERONIMO "36" #1 Located at 1060' FNL and 1980' FWL Section 36, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 — Office (505) 392-3074 — Fax basinsurveys.com

W.O. Number:	0301AA - KJG #122
Survey Date:	05-26-2000
Scale: 1" = 2	MILES
Date: 05-30-	-2000

LOUIS DREYFUS NATURAL GAS CORPORATION



GERONIMO "36" #1 Located at 1060' FNL and 1980' FWL Section 36, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

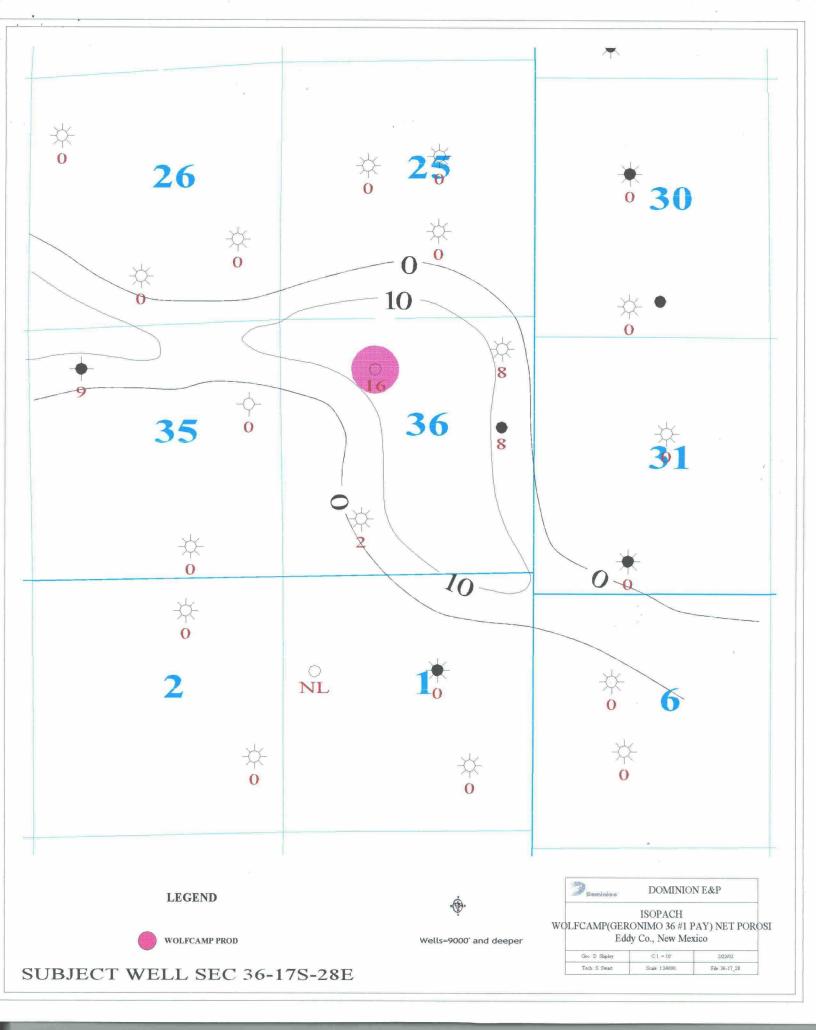
Date: 05-30-2000



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fax basinsurveys.com

W.O. Number:	0301AA - KJG #122
Survey Date:	05-26-2000
Scale: 1" = 2	000'

LOUIS DREYFUS NATURAL GAS CORPORATION



# NOTIFICATION LIST OF OFFSET OPERATORS/LEASEHOLD OWNERS

Unorthodox Location Geronimo "36" State #1 <u>Township 17 South, Range 28 East</u> Section 36: 1060' FNL & 1980' FWL Eddy County, New Mexico

- Chase Oil Corporation
   P.O. Box 1767
   Artesia, New Mexico 88211
- Ricks Exploration II, LP 3000 Oklahoma Tower 210 Park Avenue Oklahoma City, Oklahoma 73102

### Dominion Exploration & Production, Inc. 14000 Quail Springs Parkway, #600, Oklahoma City, OK 73134-2600



Phone: 405 749-5279; Land Fax: 405 749-6662

February 25, 2002

Mr. Ron Lanning Chase Oil Corporation P. O. Box 1767 Artesia, New Mexico 88211-1767

Re:

Offset Operator/Leasehold Notification

Unorthodox Location Geronimo "36" State #1

Township 17 South, Range 28 East Section 36: 1060' FNL & 1980' FWL

Eddy County, New Mexico

### Dear Ron:

Dominion Oklahoma Texas Exploration & Production, Inc. (Dominion), successor by merger with Louis Dreyfus Natural Gas Corp., has been advised by the Artesia office of the Oil Conservation Division that the Geronimo "36" State #1 is located at an unorthodox location which is described above. This location does not comply with existing well spacing and location rules for oil wells. Division Rule 104 requires the well location for oil wells on 40-acre spacing to be 330 feet from the quarter-quarter section.

If you have no objections to this unorthodox location please signify your approval by signing one copy of this letter in the space provided below and returning same to the undersigned. Any objection must be filed in writing with the New Mexico Oil Conservation Division within twenty (20) days from the date of this notice.

of Dominion's

The undersigned hereby waives any obj Geronimo "36" State #1 well.	jection to the unorthodox location
Sincerely,	
Joe W. Hammond, CPL Staff Landman	ORATION & PRODUCTION, INC.
Chase Oil Corporation	
Name:	
Title:	
Date:	



Phone: 405 749-5279; Land Fax: 405 749-6662

February 25, 2002

Mr. Larry Fenity Ricks Exploration II, LP 3000 Oklahoma Tower 210 Park Avenue Oklahoma City, Oklahoma 73102

Re:

Offset Operator/Leasehold Notification

Unorthodox Location Geronimo "36" State #1

Township 17 South, Range 28 East Section 36: 1060' FNL & 1980' FWL

Eddy County, New Mexico

# Dear Larry:

Dominion Oklahoma Texas Exploration & Production, Inc. (Dominion), successor by merger with Louis Dreyfus Natural Gas Corp., has been advised by the Artesia office of the Oil Conservation Division that the Geronimo "36" State #1 is located at an unorthodox location which is described above. This location does not comply with existing well spacing and location rules for oil wells. Division Rule 104 requires the well location for oil wells on 40-acre spacing to be 330 feet from the quarter-quarter section.

If you have no objections to this unorthodox location please signify your approval by signing one copy of this letter in the space provided below and returning same to the undersigned. Any objection must be filed in writing with the New Mexico Oil Conservation Division within twenty (20) days from the date of this notice.

The undersigned hereby waives any objection to the unorthodox location of Dominion's Geronimo "36" State #1 well.

Sincerely,

DOMINION OKLAHOMA	TEXAS EXPLORATION & PRODUCTION, INC
feel. Harme	d
Joe W. Hammond, CPL	
Staff Landman	
·	

Ricks Explo	oration II, LP	
Name;		
Title:		
Date:		

TOWNSHIP	> South	Range 2	8 East	NMPM	
6	5	4	3	2	1
7	8	9	10	-11	-12
-18	17	16	- 15	14	-13-
19	20	21	22	23	24-
30	29	28	27	26	25
31	32	33	34	35	36-

Description: Sec. 36 (1-7502 4-20-84)

Ext: \$\frac{\(\frac{1}{2}\)^{\frac{1}{2}}}{2}\) Sec. 36 (R-7502 4-20-84)

## county Eddy Pool Anderson-Wolfcamp

TOWNSHIP 17 South	Range 🟒	8 East	NMPM	,
1 - 6 5 5	4	3	2	1-1-1-
				<del>                                     </del>
7 + 8 +	9 -	10	11+	-12
18	16	15	14	13
*				
20	21	22	23	24
30	28	27	26	25
31 32	33	34	35	36

Description	n./250	(, 23, 19/13	sec. 29 (1)-	16451, 2-4	10/	<del></del>
Ext: SW/Sec. 2	<u>3 (K-11544,3-</u>	-13-01)				
						<del></del>
· · · · · · · · · · · · · · · · · · ·						
	<del></del>					
				<del>-</del>		

### Stogner, Michael

From: Arrant, Bryan

Sent: Thursday, February 21, 2002 2:25 PM

To: Stogner, Michael; Gum, Tim

Subject: ANOTHER!!!! Well Producing w/o an approved NSL

February 21, 2002

Dominion Exploration & Production (formally Louis Dreyfus Natural Gas Corporation) 140000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134 Attn: To Whom It May Concern

#### RE:

Dominion Exploration & Production's Geronimo '36' State Com. Well No. 1 Located in Unit C, 1060 feet from the North line and 1980 feet from the West line of Section 36, Township 17 South, Range 28 East, Eddy County, NM, NMPM.

Dear Sirs/Madams,

In reference to the above captioned well, a field inspection on 2/21/2002 reveled that said well is producing without an approved Form C-104, "Request for Testing Allowable and Authorization to Transport".

This well is considered non-standard for an oil well according to Division Rule 104.B(1). Said well is to be **shut-in immediately** until a NSL approval has been issued in addition to an approved Form C-104 by this district office.

Please call if you have any questions regarding this matter.

Respectfully yours,

Bryan G. Arrant Petroleum Engineer Specialist

E-mail:

Michael E. Stogner, Engineering/Chief Hearing Officer, Santa Fe Tim Gum, District Supervisor, Artesia District I PO Box 1980, Hobbs, NM 88241-1980

District II

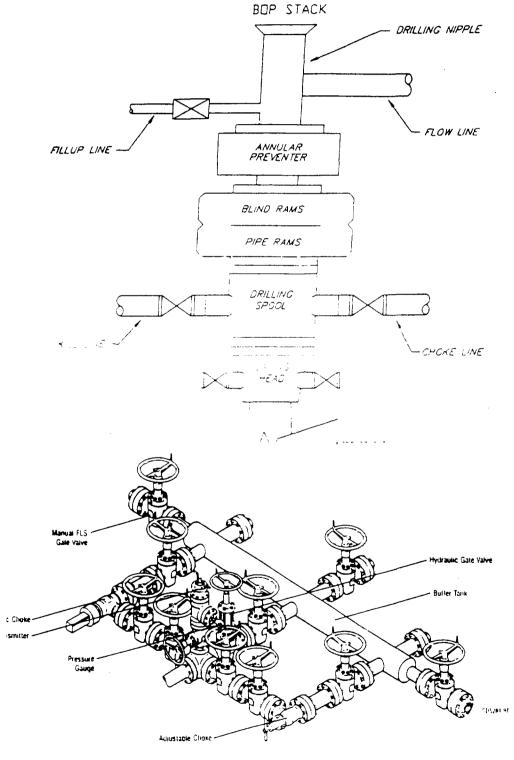
State of New Mexico Energy, Minerals & Natural Resources Department

Form C-101 Revised October 18, 1994

District II 811 South First, A District III 1000 Rio Brazos F District IV 2040 South Pache	Rd., Aztec, N co, Santa Fe,	IM 87410 NM 87505	C PERMIT	DIL CON 20 Sa TO DRI	NSERVATI 040 South F anta Fe, NM ILL, RE-EN	ON DEST	ON 1 ON 1 JUN 2 PECEIV PEN 1	13 14 15 Sub 13 14 15 Sub 13 16 15 Sub 13 16 15 Sub 15 16 15 Sub 15 16 15 Sub 16 16 Sub 16	mit to A	Ins ppropria State Fee AMEN	structions on back the District Office Lease - 6 Copies Lease - 5 Copies DED REPORT D A ZONE
Louis Dreyf 14000 Quai Oklahoma C	us Natura l Springs	ıl Gas Co Parkway,	poration		me and Address.			97 41 50 1		² <b>O</b> (	GRID Number 25773  API Number 5 - 3/185
4 Prope	erty Code					roperty Name			-		" Well No.
1	070	<u>'</u>			Geronimo "36"						11
UL or lot no.	Section 36	Township 17S	28E	Lot Idn	Feet from the 1060	North/South li North		eet from the		st line est	County Eddy
					Hole Loca	1					<del></del> _
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South li	ne F	eet from the	East/Wes	st line	County
°Proposed Pool 1 Empire South ( Morrow)						<sup>10</sup> Proposed Pool 2					
<sup>11</sup> Work T	Type Code V		12 Well Type G	Code		e/Rotary R	14	Lease Type Cod	e	15 Grou	and Level Elevation 3680
	ıltiple	11	Proposed	-		mation	1	9 Contractor	r	20	Spud Date 8/1/00
	1		11,050	)'	Mot	rrow		Patterson			0/1/00
Minimu	<del></del>	i time	11,050 Shrs.		Mon sed Casing a		Progr		L		3/1/00
L	m WOC		11,050 hrs. 2 ng Size	Propos	<del></del>	and Cement			Cemen	nt Es	stimated TOC
Minimu	m WOC		Shrs. 2 ng Size	Propos Casing	sed Casing a	and Cement		ram		t Es	stimated TOC
Minimu Hole S	m WOC	Cas	Shrs. 2 ing Size	Propos Casing	sed Casing a	and Cement Setting D		ram Sacks of	sks		stimated TOC
Minimu Hole S	m WOC	Cas	Mrs. 2 ing Size 8"	Propos Casing 54	sed Casing a weight/foot	Setting D		Sacks of	sks sks	Surf Surf	stimated TOC
Hole S  17 1/2"  12 1/4"  8 3/4"  " Describe the proposeribe the block.  1. Drill 17 2. Drill 12	proposed prowout prevent 1/2" hole 1/4" hole	Cas  13 3.  9 5.  5 1.  Degram. If the action program is $\pm 42$ .  e to $\pm 42$ .  to $\pm 11$ , (1)	sapplication m, if any. Use 15'. Run 1700'. Set 150'. Run	Proposition of Propos	sed Casing a g weight/foot .5# 6# 7#	Setting D  425' 2,700' 11,050'  Give the data on  t to surface v	the present v/450 s	Sacks of 450 900 1300 nt productive zo ks. cement.	sks sks sks me and pro	Surf Surf Tie	face
Hole S  17 1/2"  12 1/4"  8 3/4"  1 Describe the proposeribe the blo  1. Drill 17  2. Drill 12  3. Drill 8 3  See attache  1 hereby certifymy knowledge au	proposed proposed proposed proposed proposed proposed proposed proposed proposed [1/2" hole [1/4" hole [4" hole	Cas  13 3  9 5  5 1  Degram. If the nation program e to ± 42 e to ± 2, to ± 11,6 bit 6" fo	sapplication m, if any. Use 5'. Run 1. 700'. Set 150'. Run	Propose Casing 54 3 1 is to DEEPE e additional s 9 5/8" csg 5 1/2" csg embly.	sed Casing a g weight/foot  .5#  6#  7#  N or PLUG BACK sheets if necessary. g. and cemen g. and cemen g. and cemen	And Cement Setting D  425' 2,700' 11,050'  C give the data on  t to surface vert to surface vert to surface vert to 9 5/8" we	the present v/450 s v/900 s v/1300 s	Sacks of  450 900 1300  httproductive zo ks. cement. ks cement. ks cement.	sks sks sks me and pro	Surf Surf Tie	face face back to 9 5/8"  v productive zone.
Hole S  17 1/2"  12 1/4"  8 3/4"  12 Describe the properties the blom service the blow service the blom service the blom service the blow serv	proposed proposed proposed proposed proposed proposed proposed proposed proposed 1/2" hole 1/4"	Cas  13 3  9 5  5 1  Degram. If the nation program e to ± 42 e to ± 2, to ± 11,6  bit 6" fo	sapplication m, if any. Use 5'. Run 1. 700'. Set 150'. Run	Propose Casing 54 3 1 is to DEEPE e additional s 9 5/8" csg 5 1/2" csg embly.	sed Casing a g weight/foot  .5#  6#  7#  N or PLUG BACK sheets if necessary.  g. and cemen g. and cemen g. and cemen te to the best of	Approved by:	the present v/450 s v/900 s v/1300 s	Sacks of  450  900  1300  ht productive zo  ks. cement. ks cement. sks cement.	sks sks sks ne and pro	Surf Surf Tie	face face back to 9 5/8"  v productive zone.
Hole S  17 1/2" 12 1/4" 8 3/4"  12 Describe the proposerible the block of the block of the block of the proposerible the block of the b	proposed prowout prevent 1/2" hole 1/4" hole with the infend belief.  Carla Cl	Cas  13 3. 9 5 5 1.  ogram. If the nation program e to ± 42 e to ± 2, to ± 11,6 bit 6" fo	Ing Size  8" 8" 8" 5'. Run 1 700'. Set 5'0'. Run r BOP ass	Propose Casing 54 3 1 is to DEEPE e additional s 9 5/8" csg 5 1/2" csg embly.	sed Casing a weight/foot  .5#  6#  7#  Nor PLUG BACE theets if necessary.  g. and cemen g. and c	Approved by:	the present v/450 s v/900 s v/1300 s	Sacks of  450  900  1300  nt productive zo  ks. cement. ks cement. sks cement.	sks sks sks ne and pro	Surf Surf Tie Oposed new	face face back to 9 5/8"  w productive zone.
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Exhibit 6

### TYPICAL 5,000 p.s.i. BLOWOUT PREVENTER & CHOKE MANIFOLD SCHEMATIC



Typical Choke Manifold Designed for Land Drilling Applications

DISTRICT I 1525 N. French Dr., Hobbs, NM 88240 DISTRICT II 811 South First, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT III

DISTRICT IV

#### State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

#### OIL CONSERVATION DIVISION

2040 South Pacheco, Santa Fe, NM 87505

2040 South Pacheco Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

Fee Lease - 3 Copies

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
	Empire South (	(Morrow)
Property Code	Property Name	Well Number
	GERONIMO "36" STATE C	ом 1
OGRID No.	Operator Name	Elevation
025773	LOUIS DREYFUS NATURAL GAS CORPOR	RATION 3680'

#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	36	17 S	28 E		1060	NORTH	1980	WEST	EDDY

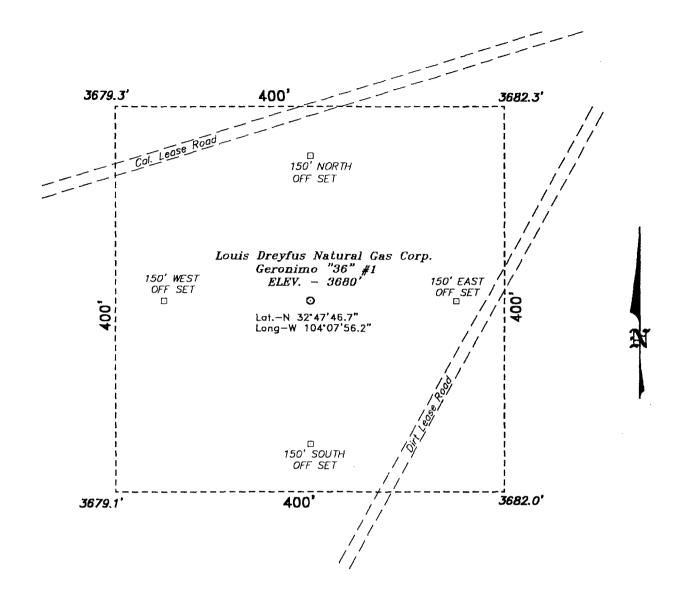
#### Bottom Hole Location If Different From Surface

			DOCCOLL.	LIOIC DO	adden in billio	Tene from bur	1466		
UL or lot No.	Section T	Cwnship	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or I	Infill Con	nsolidation C	ode Or	der No.		<u></u>	<u></u>	
320	N		С						

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

		DARU UNII DAS DEEI	
State Lease 647	3679.3' 3682.3' 3679.1' 3682.0'	Lat.: N32*47'46.7" Long.: W104*07'56.2"	OPERATOR CERTIFICATION  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature  Gene Simer  Printed Name  Dist. Ops. Mgr.  Title  05-31-00  Date  SURVEYOR CERTIFICATION
State Lease B-949	State Lease B-11593		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 supervison, and that the same is true and correct to the best of my belief.  May 26, 2000  Date Surved Signature of Signature of Sources Sourc

#### SECTION 36, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY. NEW MEXICO.



100

Directions to Location:

FROM THE JUNCTION OF US HWY 82 AND STATE HWY 360, GO EAST ON HWY 82 APPROX. 0.25 MILE TO A POINT WHICH LIES APPROX. 2500 FEET NORTH OF THE PROPOSED WELL LOCATION.

### Louis Dreyfus Natural Gas Corp.

SCALE: 1" = 100'

100

200 FEET

Geronimo "36" #1 / Well Pad Topo

THE GERONIMO "36" No. 1 LOCATED 1060' FROM THE NORTH LINE AND 1980' FROM THE WEST LINE OF SECTION 36, TOWNSHIP 17 SOUTH, RANGE 28 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO.

BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

K. GOAD W.O. Number: 0301 Drawn By: Survey Date: 05-26-2000 Sheet 0279A.DWG )ate: 05-30-2000 Disk: KJG #122

Sheets of



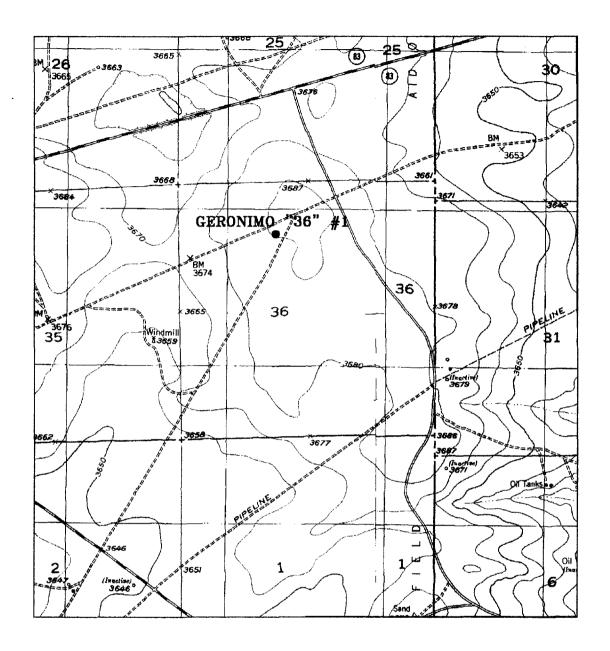
GERONIMO "36" #1 Located at 1060' FNL and 1980' FWL Section 36, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fax basinsurveys.com

W.O. Number:	0301AA - KJG	#122
Survey Date:	05-26-2000	
Scale: 1" = 2	MILES	
Date: 05-30-	-2000	

LOUIS DREYFUS NATURAL GAS CORPORATION





GERONIMO "36" #1 Located at 1060' FNL and 1980' FWL Section 36, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.



P.O. Box 1786 1120 N. West County Rd. Hobbs, New Mexico 88241 (505) 393-7316 - Office (505) 392-3074 - Fax basinsurveys.com

W.O.	Number:	0301AA			#122
Surve	y Date:	05-26-			
Scale	: 1" = 20	000'	ar ota		
Date:	05-30-	2000	AND THE REAL PROPERTY.	d alexandelan	10000

LOUIS DREYFUS NATURAL GAS CORPORATION

ubmit 3 Copies to Appropriate		I New Wex			51		orm C-103
istrict Office	Energy, Minerals	and Natura	al Resources	Γv	VELL API NO.	Hevisea n	March 25, 1999
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ISTRICT II	OIL CONSE	RVATION D	IVISION	<u> </u>	30-0	<u>15-31185</u>	
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. Name of Operator			Co>	8.	Well No.		
Louis Dreyfus Natural Ga	as Corp.		6585750230			1	
Address of Operator				9.	Pool name or	Wildcat	
14000 Quail Springs Par	kway - Suite 600 - Oklah	oma City Ol	₹ 7313 <b>4</b>	١٠.		South (Moi	rrow)
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PERFORM REMEDIAL WORK	PLUG AND ABAND	ON 🗖 🖁 R	EMEDIAL WORK			RING CASI	NG 🗍
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	COMPLETION				<del></del>		
OTHER:			OTHER:				П
2. Describe proposed or complete	ad apparations (Clearly state)	<u></u>		tos includi	ing octimated de	oto of startin	
propsed work). SEE RULE 11	03. For Multiple Completions:	Attach wellbor	is, and give pertinent da e diagram of proposed cr	ompletion o	or recompletion.	ate or startin	g any pro-
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6/23/01 Perf'd Morrow fro	ım 10,567 - 10,574, 10,6	61 - 10,668,	10,672 - 10,674, 10,	695 - 10	,698 4 spf. 6	3/24/01, ad	cid
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& 60 ball sealers.							
6/28/01 Set CIBP @ 10,5	20, dump bail 35' of cen	nent on top. I	<sup>o</sup> erf'd upper Morrow	f/10,437	" - 10,442'.  6	3/29/01, a	cid
job, pumped a total of 75	0 gal 15% NeFe acid w/1	10% methano	l and clay control aç	gent.			
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Testing.							
hereby certify that the information	above is true and complete to	the best of my k	nowledge and belief.				
c. 1	-1-						
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Type or print name Carla Chr	ristian			Т	Telephone No.	405-749	9-5263
This space for State use)	····					*	
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APPROVED BY	WANT WIND	TITLE	sylva arks 1 - C C - S			DATE	The The The

Conditions of approval, if any:

ubmit 3 Copies to Appropriate istrict Office	State ( Energy, Mineral	of New Mexico s and Natural I			Form C-103 Revised March 25, 1999
	OIL CONSE 2040 Santa OTICES AND REPO FOR PROPOSALS TO DRILL E "APPLICATION FOR PERM	LLS R PLUG BACK TO A	5. Indicate T STATE 6. State Oil 8 647, B-9 7. Lease Nar	0-015-31185 ype of Lease	
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SIGNATURE (Cula (	inustian	TITLE R	egulatory Techn	nician	DATE 06/19/01
Type or print name Carla Ch (This space for State use)	ristian			Telephone N	o. 405-749-5263
	nd W. Sum	TITLE	SUPERVISOR	R, DISTRICT II	DATE JUN 2 6 200

Conditions of approval, if any:

Submit 3 Copies to Appropriate District Office	State of Energy, Minerals a	New Mex		res		51	For Revised Mar	rm C-103
DISTRICT I	Energy, willordie	ina riacan	ai i (cooai	000	WELL	API NO.		
625 n. French Dr., Hobbs, NM 88240 DISTRICT II	OIL CONSER\	ATION F	JIVICION			30 04/	5-31185	
111 South First, Artesia, NM 88210					5. India	cate Type of		
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000 Rio Brazos Rd., Aztec, NM 87410 DISTRICT IV	Santa F	e, NM 875	305		6. Stat	e Oil & Gas	Lease No.	
2040 S. Pacheco, Santa Fe, NM 87505					647	7, B-949, I	B-11593	
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Type of Well:     Oil Well	X Other							
<ol> <li>Name of Operator Louis Dreyfus Natural G</li> </ol>	as Corp. /				8. Wel	l No. 1		
3. Address of Operator					9. Poo	l name or W	Vildcat	
14000 Quail Springs Par	rkway - Suite 600 - Oklahor	ma City, O	K 73134		E	mpire So	uth (Morro	ow)
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	ted operations. (Clearly state all p 103. For Multiple Completions: A						e of starting	any pro-
7-21-01 received verbal a	approval from Jerry Guy at	OCD to co	ome up to	the Wolfcamp	<b>)</b> .			\$
7-21-01 Set CIBP @ 10,2 Testing & Evaulating.	210' and dump bailed 35' o	f cement o	n top. Per	f'd Wolfcamp	from 7990	) - 8000.		a rai her
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hereby certify that the information	above is true and complete to the	e best of my l	knowledge aı	nd belief.			ARTESTA	
SIGNATURE CANA	hustian	TITLE _	Regulato	ory Techniciar	1		DATE	07/24/01
Type or print name Carla Ch	ristian				Teleph	one No.	405-749-	5263
(This space for State use)								
APPROVED BY	nd the Gum	TITLE É	_Supari	ISOR, DISTR	ICT [I		DATE	L 30 2001

Conditions of approval, if any:

ubmit 3 Copies to Appropriate	State of New M		54	Form C-103			
istrict Office	Energy, Minerals and Na	tural Resources	WELL API NO.	Revised March 25, 1999			
625 n. French Dr., Hobbs, NM 88240	OIL CONSERVATIO	N DIVISION	30-01	15-31185			
11 South First, Artesia, NM 88210	2040 South Pa		5. Indicate Type STATE	of Lease			
ISTRICT III 000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM	87505	6. State Oil & Ga	<u> </u>			
040 S. Pacheco, Santa Fe, NM 87505			647, B-949,	B-11593			
SUNDRY NO	OTICES AND REPORTS OF	N WELLS Proces	L3 \	r Unit Agreement Name:			
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3. Address of Operator	lavav Cuita COO Oklahama City	OK 72424	9. Pool name or				
14000 Quail Springs Par 1 Well Location	kway - Suite 600 - Oklahoma City	, UK /3134	Empire S	outh (Morrow)			
Unit letter C	1060' feet from the North	line and 1980' feet t	rom the West	line.			
Section 36	Township 17S	Range 28E N	MPM Eddy	County			
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	ed operations. (Clearly state all pertinent 03. For Multiple Completions: Attach we			te of starting any pro-			
4/22/01 spud well.							
4/23/01 ran 10 jts 13 3/8", 48# csg, set at 444', cemented lead w/185 sks 35:65 Poz Class "C", tailed w/180 sks C. Displace w/64 bbl fresh water, did not bump plug, shut in for 8 hrs. Circulated 33 sx cement to reserve pit. Wait on cement 24 1/2 hrs., commenced drilling.							
4/30/01 ran 61 jts 9 5/8", 30# J-55 csg, set at 2652.7', cemented lead w/960 sks 35:65 Poz Class "C", tailed w/260 sks Class "C", bumped plug, plug down @ 6:00 a.m., circulated 150 sks cement, float held. Wait on cement 19 1/2 hrs., commenced drilling.							
, cermionous urman	<i>3</i> .						
I hereby certify that the information	above is true and complete to the best of	my knowledge and belief.					
SIGNATURE Coula	Christian TITL	E Regulatory Technician		DATE 05/01/01			
Type or print name Carla Chr	istian		Telephone No.	405-749-5263			
(This space for State use)	49		· · · · · · · · · · · · · · · · · · ·	MAY 1 0 2001			
APPROVED BY	Sim W. Sum TITL	E SUPERVISOR, DISTR	RICT II	DATE			
Conditions of approval, if any:		· <b>-</b>		<i>DI</i> () L			

### BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 5219 Order No. R-4784

NOMENCLATURE

APPLICATION OF MIDWEST OIL CORPORATION FOR POOL CREATION, DISCOVERY ALLOWABLE, AND SPECIAL POOL RULES, EDDY COUNTY, NEW MEXICO. Elso Dec R-4784A

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 25, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of May, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

#### FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Midwest Oil Corporation, seeks the creation of a new pool for production of oil from the Wolfcamp formation, Eddy County, New Mexico, and for promulgation of special rules and regulations for said pool, including a provision for 80-acre proration units.
- (3) That the applicant also seeks the assignment of an oil discovery allowable in the amount of approximately 42,245 barrels to the discovery well for said pool.
- (4) That the evidence presently available indicates that the Midwest Oil Corporation South Empire Deep Unit Well No. 4, Slocated in Unit G of Section 32, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico, has discovered a separate common source of supply which should be designated the South Empire-Wolfcamp Pool; that the vertical limits of said pool should be defined as the Wolfcamp formation, and that the horizontal limits of said pool should be defined as the NE/4 of said Section 32.

-2-CASE NO. 5219 Order No. R-4784

- (5) That the subject discovery well for the aforesaid pool is entitled to and should receive a bonus discovery oil allowable in the amount of 42,245 barrels, based upon the top of the perforations in said well at 8,449 feet, to be assigned over a two-year period.
- (6) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, temporary special rules and regulations providing for 80-acre spacing units should be promulgated for the South Empire-Wolfcamp Pool.
- (7) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.
- (8) That the temporary special rules and regulations should be established for a one-year period in order to allow the operators in the subject pool to gather reservoir information to establish the area that can be efficiently and economically drained and developed by one well.
- (9) That this case should be reopened at an examiner hearing in May, 1975, at which time the operators in the subject pool should be prepared to appear and show cause why the South Empire-Wolfcamp Pool should not be developed on 40-acre spacing units.

#### IT IS THEREFORE ORDERED:

- (1) That a new pool for the production of oil from the Wolfcamp formation is hereby established and designated the South Empire-Wolfcamp Pool.
- (2) That the vertical limits of said pool are the Wolfcamp formation and the horizontal limits are the NE/4 of Section 32, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico.
- (3) That the Midwest Oil Corporation South Empire Deep Unit Well No. 4, located in Unit G of Section 32, Township 17 South, Range 29 East, South Empire-Wolfcamp Pool, Eddy County, New Mexico, is hereby authorized an oil discovery allowable of 42,245 barrels to be assigned to said well at the rate of 58 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.
- (4) That temporary Special Rules and Regulations for the South Empire-Wolfcamp Pool, Eddy County, New Mexico, are hereby promulgated as follows:

# SPECIAL RULES AND REGULATIONS FOR THE SOUTH EMPIRE-WOLFCAMP POOL

- RULE 1. Each well completed or recompleted in the South Empire-Wolfcamp Pool or in the Wolfcamp formation within one mile thereof, and not nearer to or within the limits of another designated Wolfcamp oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.
- RULE 2. Each well shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a governmental quarter section; provided however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.
- RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit comprising a governmental quarter-quarter section or lot, or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.
- RULE 4. Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.
- RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.
- RULE 6. A standard proration unit (79 through 81 acres) shall be assigned a depth bracket allowance of 310 barrels of oil per day, subject to the market demand percentage factor, and in the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 80 acres.

#### IT IS FURTHER ORDERED:

- (1) That the locations of all wells presently drilling to or completed in the South Empire-Wolfcamp Pool or in the Wolfcamp formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Artesia District Office of the Commission in writing of the name and location of the well on or before July 1, 1974.
- (2) That, pursuant to Paragraph A. of Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, existing wells in the South Empire-Wolfcamp Pool shall have dedicated thereto 80 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C. of said Section 65-3-14.5, existing wells may have non-standard spacing or proration units established by the Commission and dedicated thereto.

Failure to file new Forms C-102 with the Commission dedicating 80 acres to a well or to obtain a non-standard unit approved by the Commission within 60 days from the date of this order shall subject the well to cancellation of allowable. Until said Form C-102 has been filed or until a non-standard unit has been approved, and subject to said 60-day limitation, each well presently drilling to or completed in the South Empire-Wolfcamp Pool or in the Wolfcamp formation within one mile there-of shall receive no more than one-half of a standard allowable for the pool.

- (3) That this case shall be reopened at an examiner hearing in May, 1975, at which time the operators in the subject pool may appear and show cause why the South Empire-Wolfcamp Pool should not be developed on 40-acre spacing units.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I./R. TRUJILLO, Chairman

A. L. PORTER, JR., Member & Secretary

S E A L jr/

### BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 5219 Order No. R-4784-A

IN THE MATTER OF CASE NO. 5219 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-4784, WHICH ORDER ESTABLISHED TEMPORARY SPECIAL POOL RULES FOR THE SOUTH EMPIRE-WOLFCAMP POOL, EDDY COUNTY, NEW MEXICO, INCLUDING A PROVISION FOR 80-ACRE SPACING.

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 16, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of May, 1975, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

#### FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That by Order No. R-4784, dated May 21, 1974, temporary special rules and regulations were promulgated for the South Empire-Wolfcamp Pool, Eddy County, New Mexico, establishing temporary 80-acre spacing units.
- (3) That pursuant to the provisions of Order No. R-4784, this case was reopened to allow the operators in the subject pool to appear and show cause why the South Empire-Wolfcamp Pool should not be developed on 40-acre spacing units.
- (4) That the evidence establishes that one well in the South Empire-Wolfcamp Pool can efficiently and economically drain and develop 80 acres.
- (5) That the Special Rules and Regulations promulgated by Order No. R-4784 have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil in the pool.

(6) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-4784 should be continued in full force and effect until further order of the Commission.

#### IT IS THEREFORE ORDERED:

- (1) That the Special Rules and Regulations governing the South Empire-Wolfcamp Pool, Eddy County, New Mexico, promulgated by Order No. R-4784, are hereby continued in full force and effect until further order of the Commission.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

PHIL R. LUCERO Member

A. L. PORTER, Jr., Member & Secretary

SEAL

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AMOCO PRODUCTION	AMOCO PRODUCTION	AMOCO PRODUCTION	KERR-MCGEE CORP
C U 08/10/56	C U 11/10/54	U 08/10/56	U 11/10/5
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