

DATE 5/15/02	SUBMIT 6/4/02	ENGINEER MS	LOGGED IN MN	TYPE NSL	APP NO. 213545806
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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



Case 12875

## ADMINISTRATIVE APPLICATION CHECKLIST

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

**Application Acronyms:**

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

[A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply**

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☒ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

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

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

TOM SPRINKLE  
 Print or Type Name

*Tom Sprinkle*  
 Signature

DRILLING MANAGER  
 Title

March 28, 2002  
 Date

Tls2@airmail.net  
 e-mail Address



**EXPLORATION & PRODUCTION**

*May 13, 2002*  
April 30, 2002

Ms. Lori Wrotenbery  
Oil Conservation Division  
~~2040 South Pacheco Street~~  
Santa Fe, New Mexico 87505

*1220 S. Saint Francis Drive*  
*4000*

Re: Application For Non-Standard Location  
Texakoma Oil & Gas Corporation  
BlackHills 16 No. 1, API No. 30-045-31077  
Basin Fruitland Coal Pool (71629)  
772' FSL & 701' FEL, P-16-T26N-R13W  
San Juan County, New Mexico

*Case 12875*

Dear Ms. Wrotenbery:

Texakoma Oil & Gas Corporation hereby requests approval for an off-pattern location for its BlackHills 16 No. 1 well, API No. 30-045-31077, to be located 772 feet from the south line and 701 feet from the east line of Section 16, Township 26 North, Range 13 West, in the Basin Fruitland Coal Gas Pool (71629), San Juan County, New Mexico because of geology.

The location is near the western edge of the productive area of the Fruitland Coal formation and considered a marginal economic venture.

Exhibit A shows the wells of record in the offset sections plus most of the West Bisti L. Gallup Sandstone Production Unit wells. The seven (7) wells outside and to the west of a production trend line running from the northeast corner of Section 9 to the southwest corner of Section 21 are not producing (4 wells) or are producing less than 100 Mcf per day (3 wells), thereby defining the west edge of economic production in the Fruitland Coal in this area. This quality reduction appears to result from reduced cleating and natural fracturing in that area and thereby reduced gas permeability.

Exhibit B is a plat which shows the operators of the offset leases.

Exhibit C is a list of offset operators names and addresses notified of this application by Certified Mail on this same date.

Exhibit D is a copy of Form C-102, Well Location and Acreage Dedication Plat.

If there are questions, please contact me by phone at the number below or by fax at 972-701-9056.

Sincerely,

*Tom Sprinkle*  
Tom Sprinkle  
Drilling Manager

Cc: Oil Conservation Division, 1000 Brazos Road, Aztec, NM 87410  
Offset Operators as per Exhibit C by Certified Mail

**ONE LINCOLN CENTRE  
5400 LBJ FREEWAY • SUITE 500 • DALLAS, TEXAS • 75240  
972-701-9106**



# Exhibit A

## AREA PRODUCTION MAP Black Hills 16-1 Prospect San Juan County, New Mexico

### Production Data Through 11/30/01

Current Gas Rate (MCFD) | Current Water Rate (BWPD)

Cumulative Gas (MMCF) | First Production Date

Current production rates were calculated by taking the last month of available production data and dividing by the number of days produced during the period. Data was obtained through Dwights Energydata, Inc. and the New Mexico Oil Conservation Commission.

### LEGEND

### PRODUCERS

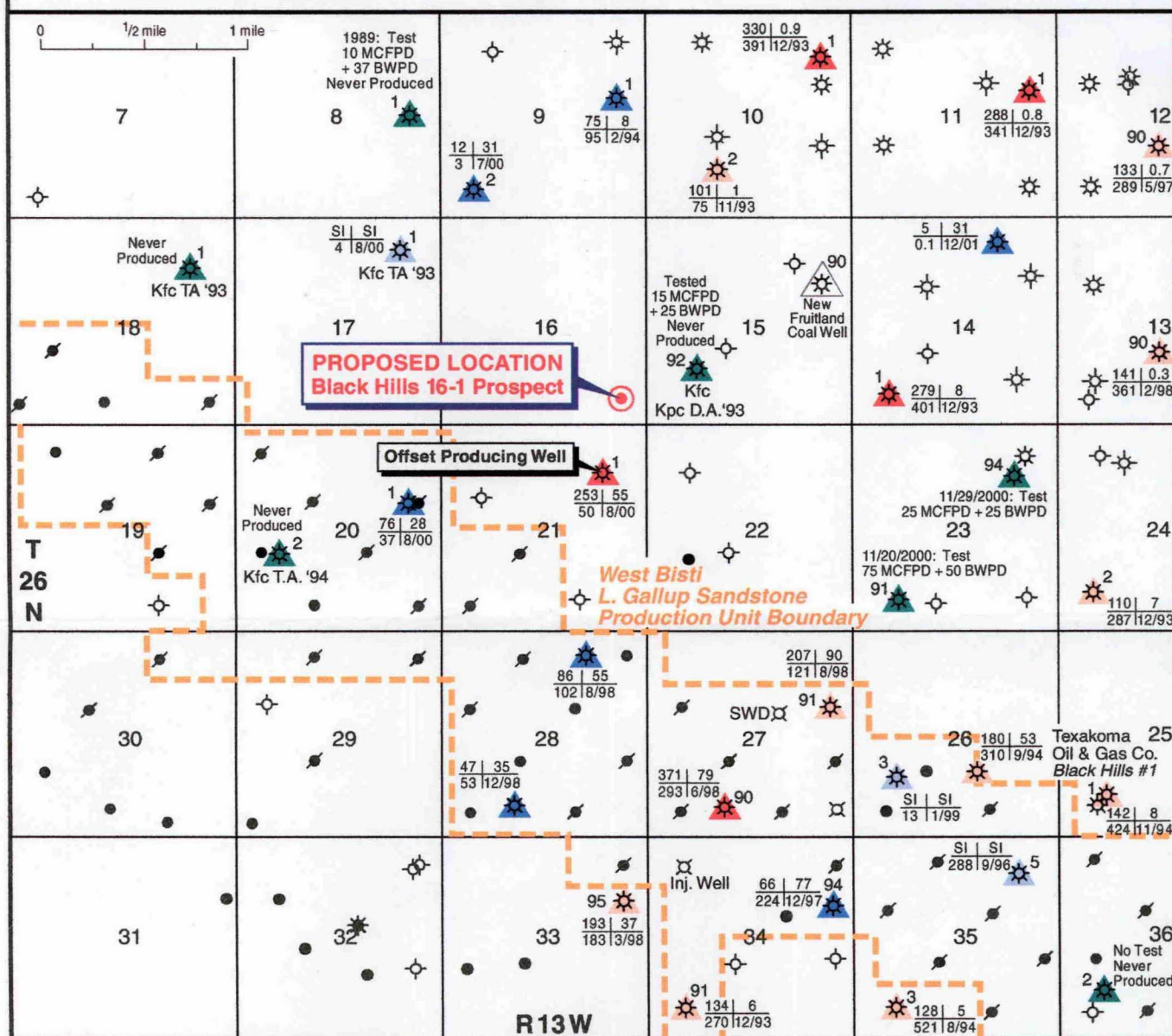
- Fruitland Coal Well  
250-499 MCFGPD
- Fruitland Coal Well  
100-249 MCFGPD
- Fruitland Coal Well  
0-99 MCFGPD
- Fruitland Coal Well  
Never Produced
- Well Shut In

- Oil Well
- Plugged & Abandoned Oil Well
- Gas Well
- Plugged Gas Well
- Gas & Oil Well

- Plugged Oil & Gas Well
- Dry & Abandoned Well
- Water Disposal or Injection Well
- SWD Salt Water Disposal Well

- P.A. Plugged & Abandoned
- D.A. Drilled & Abandoned
- T.A. Temporarily Abandoned
- Com. Commingled

- Kfm Farmington
- Kfs Fruitland Sand
- Kfc Fruitland Coal
- Kpc Pictured Cliffs
- Kgl Gallup
- Kd Dakota



BLACK HILLS # 16 - 1  
(BASIN-FRUITLAND COAL WELL)  
S/2 SEC. 16-T26N-R13W  
SAN JUAN COUNTY, NEW MEXICO  
OPERATOR-TEXAKOMA OIL GAS CORPORATION

BASIN-FRUITLAND COAL OFFSET WELLS/OPERATORS

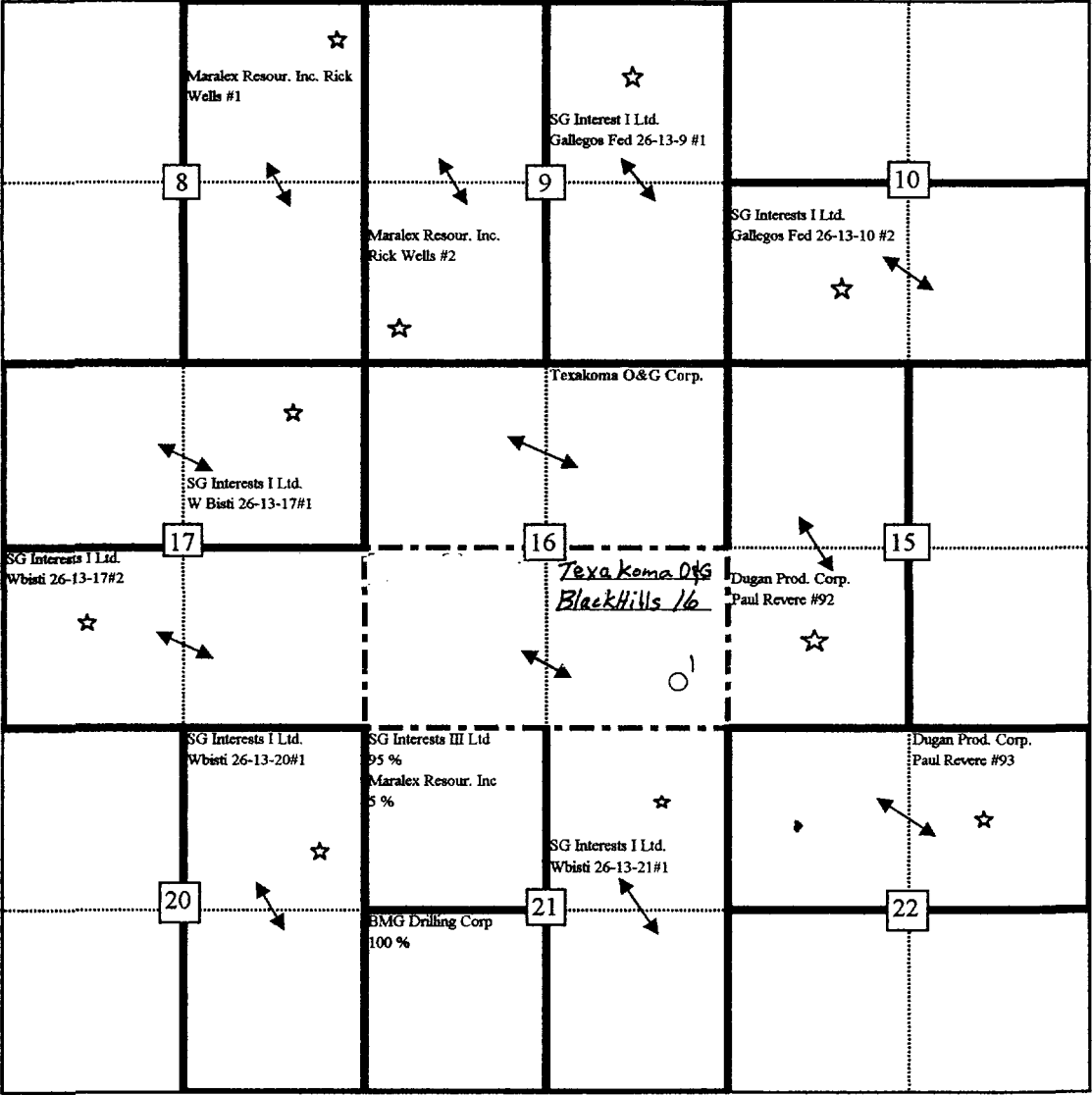


EXHIBIT B

## OFFSET OPERATORS

### NAME AND ADDRESS

Dugan Production Corporation  
P. O. Box 420  
Farmington, New Mexico 87499-0420  
Attn: Mr. Tom Dugan

Maralex Resources, Inc.  
P. O. Box 338  
Ignacio, Colorado 81137  
Attn: Mr. A. M. O'Hare

Phillips Petroleum Company  
5525 Highway 64, NBU 3004  
Farmington, New Mexico 87401  
Attn: Mr. Jim Ball

SG Interest, Ltd  
1331 Lamar, Suite 501  
Houston, Texas 77010  
Attn: Mr. Gary Weber

State of New Mexico  
Energy, Minerals & Mining Resources Department  
OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C - 102

☐ AMENDED REPORT

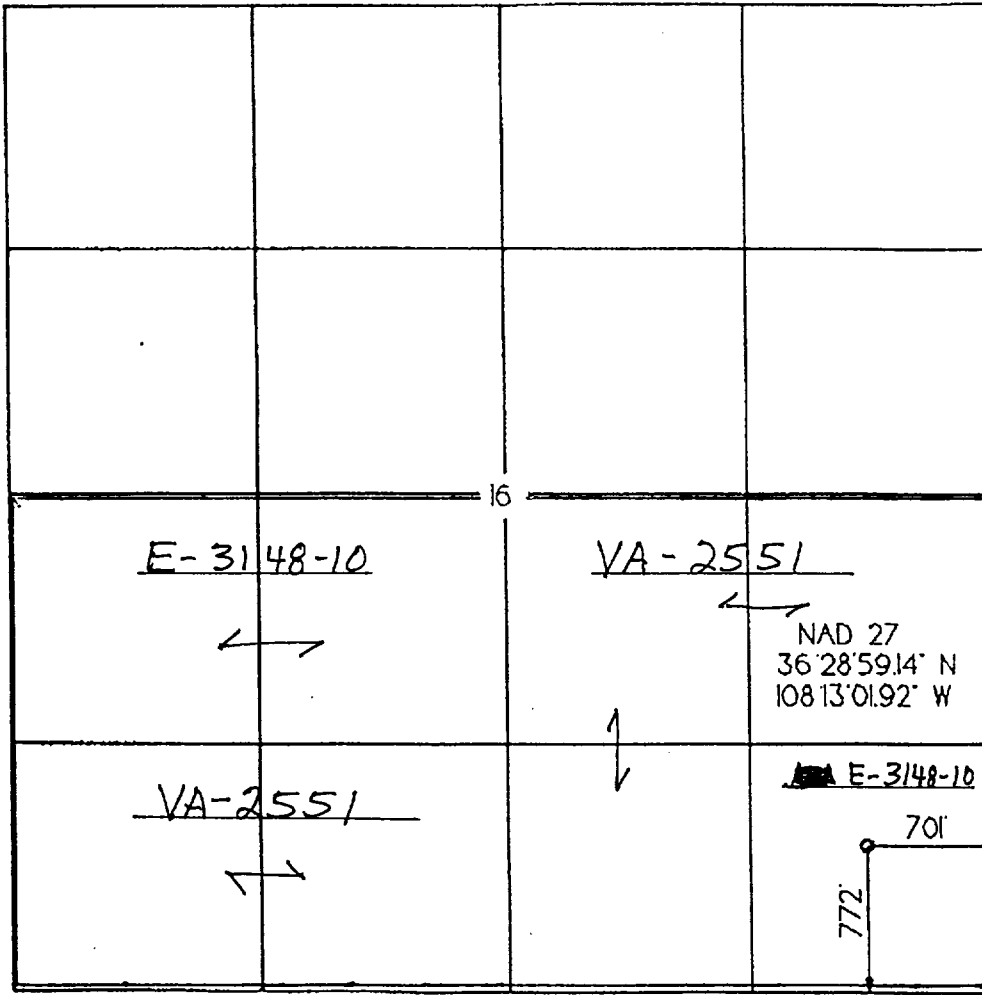
WELL LOCATION AND ACREAGE DEDICATION PLAT

APA Number	Pool Code <b>71629</b>	Pool Name <b>Basin Fruitland Coal</b>
Property Code	Property Name <b>TEXAKOMA BLACKHILLS 16</b>	Well Number <b>1</b>
OGRD No. <b>022521</b>	Operator Name <b>TEXAKOMA OIL &amp; GAS CORPORATION</b>	Elevation <b>6180'</b>

Surface Location										County
UL or Lot <b>P</b>	Sec. <b>16</b>	Twp. <b>26 N</b>	Rge. <b>13 W.</b>	Lat. Lb.	Feet From	North/South	Feet From	East/West		<b>SAN JUAN</b>

Bottom Hole Location if Different From Surface										County
UL or Lot	Sec.	Twp.	Rge.	Lat. Lb.	Feet From	North/South	Feet From	East/West		
Dedication <b>S/320</b>	Joint ? <b>N</b>	Consolidation		Order No.						

NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <i>Tom Sprinkle</i> Printed Name <b>TOM SPRINKLE</b> Title <b>DRILLING MANAGER</b> Date <b>4-26-2002</b>	
<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location 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 of Survey <b>4-26-2002</b> Signature <i>James P. Schubert</i> Professional Surveyor Registered Land Surveyor 6844 State of New Mexico Seal: APR 26 2002, HUBBARD, NEW MEXICO, 6844, REGISTERED LAND SURVEYOR	

Exhibit D



**EXPLORATION AND PRODUCTION**

ONE LINCOLN CENTRE  
5400 LBJ Freeway, Suite 500  
Dallas, Texas 75240



*Ms. Lori Wrotenberg, Director  
Oil Conservation Division*

*204,  
Sent*

OIL-040 075052004 1101 11 05/06/02  
FORWARD TIME EXP RTN TO SEND  
OIL CONSERVATION DIVISION  
1220 S SAINT FRANCIS DR  
SANTA FE NM 87505-4000

87808+8472 87  
78240/6206

