

STATE OF NEW MEXICO
ENERGY, MINERALS, NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING THE APPLICATION OF
WOODBINE PETROLEUM, INC. FOR
AN UNORTHODOX OIL WELL LOCATION,
EDDY COUNTY, NEW MEXICO

RECEIVED

MAY 2 1991

OIL CONSERVATION DIVISION

CASE NO. 10319

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted on behalf of Woodbine Petroleum, Inc. as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

Applicant: Woodbine Petroleum, Inc.
1445 Ross Avenue
Dallas, Texas 75202
(214) 855-6262

Contact Person: Don G. Shackelford
Executive Vice President

Attorney: W. Perry Pearce
Montgomery & Andrews, P.A.
Post Office Box 2307
Santa Fe, New Mexico 87504
(505) 982-3873

APPLICANT'S STATEMENT OF THE CASE

Applicant in this case seeks approval of an unorthodox location for its Hadson Federal Well No. 3 at a location 2540 feet from the north line and 2310 feet from the east line of Section 11, Township 19 South, Range 31 East, N.M.P.M, Eddy County, New Mexico. Applicant proposes to drill an oil well in the Undesignated Shugart Pool and proposes to dedicate a standard 40-acre spacing and proration unit to this well.

APPLICANT'S PROPOSED EVIDENCE

Applicant expects to call one witness and present 10 or fewer exhibits. The direct case should take 30 minutes or less.

PROCEDURAL MATTERS

Applicant is not aware of any procedural matters which need to be resolved prior to the hearing of this case.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By 

W. Perry Pearce
Post Office Box 2307
Santa Fe, New Mexico 87504-2307
(505) 982-3873

Attorneys for Woodbine Petroleum, Inc.

[WPP/187]

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

MEMORANDUM

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

TO: INDUSTRY OPERATORS, PURCHASERS AND ALL INTERESTED PARTIES

FROM: WILLIAM J. LEMAY, Director, Oil Conservation Division *WJL*

SUBJECT: ANNUAL STATE OF THE INDUSTRY MEETING - JUNE 7, 1991

DATE: MAY 13, 1991

This year's oil and gas State of the Industry meeting will be held in Morgan Hall, State Land Office Building, Santa Fe, New Mexico, on June 7, 1991 beginning at 9:00 AM. Navajo Refining Company will be hosting a welcoming reception for everyone attending the State of Industry meeting. It will be held on Thursday night, June 6, 1991, from 6:30 to 8:00 pm, in the New Mexico Room of the La Fonda Hotel. Cocktails and hor d'oeuvres will be served. We have a varied and interesting program this year which will include presentations on domestic and international crude oil, natural gas production and markets, and state environmental oil and gas programs. The agenda will be finalized and distributed prior to June 7th. The meeting is open to everyone so we hope to see many of you in Santa Fe the evening of June 6th and the morning of June 7th.

sl/

Dockets Nos. 16-91 and 17-91 are tentatively set for June 13, 1991 and June 27, 1991. Applications for hearing must be filed at least 23 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - MAY 30, 1991

**8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, STATE LAND OFFICE BUILDING,
SANTA FE, NEW MEXICO**

The following cases will be heard before Jim Morrow, Examiner or Michael E. Stogner, or David R. Catanach, Alternate Examiners:

CASE 10304: (Readvertised)

Application of Cibola Energy Corporation for a unit agreement, Otero County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Tularosa Unit Agreement for an area comprising 19,090.61 acres, more or less, of State, Federal, and Fee lands in Townships 13 and 14 South, Ranges 10 and 11 East, which is approximately 5 to 13 miles west of Mesalero, New Mexico.

CASE 10293: (Readvertised)

Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of the Scratchy Ranch State Exploratory Unit Agreement for an area comprising 5,120.00 acres, more or less, of State lands in Township 15 South, Range 32 East, which is located approximately 11 miles north-northeast of Maljamar, New Mexico.

CASE 10294: (Readvertised)

Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of the Edison Ranch Exploratory Unit Agreement for an area comprising 2990.08 acres, more or less, of State, Federal, and Fee lands in Township 16 South, Range 33 East, which is located approximately 8 miles northeast by north of Maljamar, New Mexico.

CASE 10234: (Continued from May 2, 1991, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Ordovician formation underlying the following described acreage in Section 29, Township 9 South, Range 26 East, and in the following manner: the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Foor Ranch-PrePermian Gas Pool and Undesignated East Bitter Lakes-Wolfcamp Gas Pool; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the South Pecos Slope-Abo Gas Pool; and the SW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on 40-acre oil spacing within said vertical extent. Said units are to be dedicated to a single well to be drilled 1980 feet from the North line and 2310 feet from the East line (Unit G) of said Section 29, which is a standard oil and gas well location for zones spaced on 320 acres and 40 acres but is an unorthodox gas well location for zones spaced on 160 acres. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 7 miles north of Mile Marker No. 167 on U.S. Highway 380.

CASE 10319: Application of Woodbine Petroleum, Inc. for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for its Hadson Federal Well No. 3 to be drilled 2540 feet from the North line and 2310 feet from the East line (Unit G) of Section 11, Township 19 South, Range 31 East, Undesignated Shugart Pool, the SW/4 NE/4 of said Section 11 to be dedicated to said well forming a standard 40 acre oil spacing and proration unit for said pool. Said unit is located approximately 13 miles south-southwest of Maljamar, New Mexico.

CASE 10280: (Continued from May 16, 1991, Examiner Hearing.)

Application of Knox Industries Inc. for special pool rules, Lea and Roosevelt Counties, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating special pool rules for the Milnesand-Abo Pool, including a provision for 80-acre spacing and designated well location requirements. Said pool is located in portions of Sections 33 and 34, Township 8 South, Range 35 East, and Section 3, Township 9 South, Range 35 East, straddling the Roosevelt/Lea County line approximately 4 miles north by west of Crossroads, New Mexico.

- CASE 10314: Application of Collins & Ware, Inc. for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of Section 13, Township 20 South, Range 33 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated Teas-Pennsylvanian Gas Pool and Undesignated Quail Ridge-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at an unorthodox gas well location 2210 feet from the South line and 1980 feet from the East line (Unit J) of said Section 13. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 1.75 miles south of U.S. Highway 62/180 at milepost No. 75.
- CASE 10315: Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Queen formation underlying the SW/4 NW/4 (Unit E) of Section 32, Township 18 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 40-acre spacing which presently includes but is not necessarily limited to the Undesignated Buffalo-Yates Pool and Buffalo-Queen Pool, said unit to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 11 miles south-southeast of Maljamar, New Mexico.
- CASE 10287: (Continued from May 2, 1991, Examiner Hearing.)
- Application of BTA Oil Producers for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Shinnery-Queen Pool, in the open hole and perforated interval from approximately 3,972 feet to 4,285 feet in its existing Cinco de Mayo Federal Well No. 3 located 990 feet from the North and West lines (Unit D) of Section 24, Township 18 South, Range 32 East. Said well is located approximately 8.5 miles south by east of Maljamar, New Mexico.
- CASE 10310: (Continued from May 16, 1991, Examiner Hearing.)
- Application of Amoco Production Company for surface commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks exceptions to Division (General) Rules 303.A. and 309.A. for the surface commingling of North Loving-Morrow Gas Pool production from its Brantley Gas Com Well No. 1 located in Unit K of Section 22, Township 23 South, Range 28 East with East Loving-Delaware Pool production from wells on its Brantley and McClary Leases and its Jasso Unit, all in the S/2 of said Section 22, which is located approximately 1 mile east of Loving, New Mexico.
- CASE 10316: Application of Sendero Petroleum, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its Lookout Point Federal Well No. 1 to be drilled 660 feet from the North and West lines (Unit D) of Section 24, Township 22 South, Range 23 East, Undesignated Indian Basin-Upper Pennsylvanian Gas Pool, all of said Section 24 to be dedicated to said well forming a standard 640-acre gas spacing and proration unit for said pool. Said unit is located approximately 13.5 miles west by south of Carlsbad, New Mexico.
- CASE 10317: Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of Section 17, Township 17 South, Range 29 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated Grayburg-Atoka Gas Pool, Undesignated North Grayburg-Atoka Gas Pool, and South Empire-Morrow Gas Pool, said unit to be dedicated to a well to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 7 miles west by north of Loco Hills, New Mexico.

CASE 10285: (Continued from May 2, 1991, Examiner Hearing.)

Application of American Hunter Exploration, Ltd. for a high angle/ horizontal/directional drilling pilot project, special operating rules therefor, and a non-standard oil proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the formation of a 640-acre non-standard oil spacing and proration unit in the East Puerto Chiquito-Mancos Oil Pool comprising all of Section 8, Township 27 North, Range 1 East, for the purpose of initiating a high angle/horizontal directional drilling pilot project. The applicant proposes to commence its Jicarilla 8-I Well No. 1 to be located at a standard oil well location 2000 feet from the South line and 500 feet from the East line (Unit I) of said Section 8, drill vertically to a depth of approximately 2300 feet, evaluate the pay zone, plug-back to an appropriate depth and kick-off in a westerly direction, build angle to approximately 80 degrees, and continue to drill a high angle hole in the Mancos formation for approximately 2000 feet. Applicant further requests that special operating provisions be established for said project area including the designation of a prescribed area limiting the horizontal extent of said wellbore to a target window described as a rectangle 1250 to 2750 feet from the South line and 500 to 3000 feet from the East line of said Section 8. Also to be considered will be special allowable provisions for a quadruple sized oil proration unit for this pool. Said unit is located approximately 7 miles west by south of El Vado, New Mexico.

CASE 10286: (Continued from May 2, 1991, Examiner Hearing.)

Application of American Hunter Exploration, Ltd. for a high angle/horizontal directional drilling pilot project, special operating rules therefor, and two non-standard oil proration units, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to initiate a high angle/horizontal directional drilling pilot project in Sections 4 and 6, Township 27 North, Range 1 West, forming two non-standard oil spacing and proration units for said pool comprising 651.76 acres and 620.97 acres, respectively. Within each proration unit the applicant proposes to commence from surface unorthodox oil well locations (Section 4: 330 feet from the North and East lines and Section 6: 450 feet from the North line and 400 feet from the East line), drill vertically to a depth of 7500 feet, plug back to an appropriate depth and kick-off in a westerly direction, build angle to approximately 80 degrees, and continue to drill a high angle hole in the Mancos formation for approximately 2000 feet. Applicant further requests that special operating provisions be established for said project area including the designation of a prescribed area limiting the horizontal extent of each wellbore in each proration unit to the following described target windows: Section 4: 330 to 1830 feet from the North line and 330 to 2830 feet from the East line; and, Section 6: 330 to 1950 feet from the North line and 400 to 2900 feet from the East line. Said area is located approximately 24 miles south of Dulce, New Mexico.

CASE 10300: (Continued from May 2, 1991, Examiner Hearing.)

Application of American Hunter Exploration, Ltd. for a high angle/horizontal/ directional drilling pilot project, special operating rules therefor, and a non-standard oil proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the formation of a 640-acre non-standard oil spacing and proration unit in the East Puerto Chiquito-Mancos Oil Pool comprising all of Section 6, Township 27 North, Range 1 East, for the purpose of initiating a high angle/horizontal directional drilling pilot project. The applicant proposes to commence its Jicarilla 6-A Well No. 1 to be located at a standard oil well location 660 feet from the North line and 700 feet from the East line (Unit A) of said Section 6, drill vertically to a depth of approximately 2850 feet, evaluate the pay zone, plug-back to an appropriate depth and kick-off in a westerly direction, build angle to approximately 80 degrees, and continue to drill a high angle hole in the Mancos formation for approximately 2000 feet. Applicant further requests that special operating provisions be established for said project area including the designation of a prescribed area limiting the horizontal extent of said wellbore to a target window described as a rectangle 330 to 2160 feet from the North line and 700 to 3200 feet from the East line of said Section 6. Also to be considered will be special allowable provisions for a quadruple sized oil proration unit for this pool. Said unit is located approximately 22.5 miles south of Monero, New Mexico.

CASE 10302: (Continued from May 2, 1991, Examiner Hearing.)

Application of American Hunter Exploration, Ltd. for a high angle/horizontal directional drilling pilot project, special operating rules therefor, and an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project within a standard 645.28-acre oil spacing and proration unit in the West Puerto Chiquito-Mancos Oil Pool comprising all of Section 2, Township 27 North, Range 1 West. The applicant proposes to commence its Jicarilla 2A Well No. 1 to be located at an unorthodox oil well location 600 feet from the North line and 1150 feet from the East line (Unit A) of said Section 2, drill vertically to a depth of approximately 4550 feet, evaluate the pay zone, plug back to an appropriate depth and kick-off in a westerly direction, build angle to approximately 80 degrees, and continue to drill a high angle hole in the Mancos formation for approximately 2000 feet. Applicant further requests that special operating provisions be established for said project area including the designation of a prescribed area limiting the horizontal extent of said wellbore to a target window described as a rectangle 330 to 2100 feet from the North line and 1150 to 3650 feet from the East line of said Section 2. Said unit is located approximately 24 miles south by east of Dulce, New Mexico.

CASE 10309: (Readvertised)

Application of Union Oil Company of California, d/b/a UNOCAL for special gas allowables, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the provisions of Division Order No. R-8170, as amended, establishing a special gas allowable rate of 500 MCF of gas per day from the Basin-Dakota Pool and 500 MCF of gas per day from the Blanco-Mesa Verde Pool for three certain wells in the SE/4 of Section 22 and NW/4 of Section 20, Township 27 North, Range 6 West and in the NW/4 of Section 1, Township 26 North, Range 7 West, all within its Rincon Unit Area, which is located approximately 24 miles southeast by east of Blanco, New Mexico.

CASE 10313: (Continued from May 16, 1991, Examiner Hearing.)

Application of BWA Oil and Gas for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pitchfork Ranch-Strawn Pool underlying the SW/4 NE/4 (Unit G) of Section 34, Township 24 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for said pool, said unit to be dedicated to its existing Moore "34" Com Well No. 1 located 1980 feet from the North and East lines of said Section 34, which was plugged and abandoned in January 1988 and was re-entered on March 30, 1990. Also to be considered will be the cost of re-entering and recompleting said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in the re-entering and recompletion of said well. Said unit is located approximately 16 miles west by north of Jal, New Mexico.

CASE 10318: In the matter of the hearing called by the Oil Conservation Division on its own motion for extending certain existing pools in San Juan, Rio Arriba, McKinley and Sandoval Counties, New Mexico.

(a) EXTEND the Bisti Lower-Gallup Oil Pool in San Juan, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 11 WEST, NMPPM
Section 5: N/2 NE/4

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPPM
Section 34: NE/4

TOWNSHIP 25 NORTH, RANGE 13 WEST, NMPPM
Section 1: SW/4
Section 2: SE/4
Section 11: NE/4
Section 12: NW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPPM
Section 29: SE/4, S/2 SW/4
Section 30: S/2
Section 31: NE/4
Section 32: N/2

- (b) EXTEND the South Bisti-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 10 WEST, NMPM

Section 6: E/2 SW/4 and W/2 SE/4

- (c) EXTEND the Gavilan-Mancos Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

Section 5: W/2

Section 6: E/2

Section 8: E/2

Section 9: All

Section 10: W/2

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM

Section 31: All

Section 32: W/2

- (d) EXTEND the Lybrook-Gallup Oil Pool in Rio Arriba, Sandoval and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM

Section 18: SE/4

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 30: N/2 S/2

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 25: SE/4 NE/4, NE/4 NW/4 and NE/4 SE/4

- (e) EXTEND the Papers-Wash Entrada Oil Pool in McKinley County, New Mexico, to include therein:

TOWNSHIP 19 NORTH, RANGE 5 WEST, NMPM

Section 16: SE/4 NE/4

- (f) EXTEND the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Section 17: W/2

Section 20: NW/4

- (g) EXTEND the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 1: NE/4

Fax #622-6081
WILBUR L. SHACKELFORD

GEOLOGIST AND OIL PRODUCER

512 NEW MEXICO DRIVE

ROSWELL, NEW MEXICO 88201

622-5902

'91 MAY 9 AM 8 32

May 7, 1991

Fax #827-5741

Case 10319

Mr. Michael Stogner
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: Unorthodox well location
Woodbine No. 3 Hadson Federal
2540' FNL and 2310' FEL Sec. 11,
T. 19 S., R. 31 E., NMPM, Eddy
County, New Mexico

Dear Mr. Stogner:

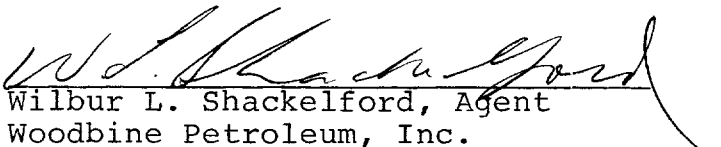
Pursuant to our prior telephone conversations, please schedule Woodbine Petroleum, Inc. on your docket, May 30, 1991, hearing for unorthodox well location.

The unorthodox location is 2540 feet FNL and 2310 feet FEL Sec. 11, T. 19 S., R. 31 E., Eddy County, New Mexico, location of the Woodbine No. 3 Hadson Federal.

Woodbine Petroleum, Inc., 1445 Ross Avenue, LB 234, Suite 3660, Dallas, Texas 75202, 214-855-6263, fax 214-855-6287. Contact person is Don Shackelford, Executive Vice President.

Thank you.

Very truly yours,


Wilbur L. Shackelford, Agent
Woodbine Petroleum, Inc.

Faxed 5/7/91

WLS

To Mike

Date 5/2 Time 2:42 ☐ AM ☒ PM

WHILE YOU WERE OUT

M Wilson Shakelford

of _____

Phone (1622) 5902

Area Code Number Extension

TELEPHONED		PLEASE CALL	
CALLED TO SEE YOU		WILL CALL AGAIN	
WANTS TO SEE YOU		URGENT	

RETURNED YOUR CALL

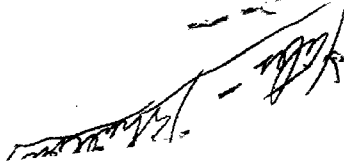
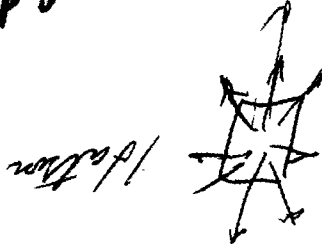
Message _____

Operator

General Office Supply Co.
 Phone 268-0700

Woodbine Petroleum
Seven (Shogart Bo.)
2540' FPL
2310' FPL
11-195-31E E1

adherent
Set for
Shogart



Fax #622-6081
WILBUR L. SHACKELFORD

GEOLOGIST AND OIL PRODUCER

512 NEW MEXICO DRIVE

ROSWELL, NEW MEXICO 88201

622-5902

May 7, 1991

Fax #827-5741

Case 10319

Mr. Michael Stogner
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: Unorthodox well location
Woodbine No. 3 Hadson Federal
2540' FNL and 2310' FEL Sec. 11,
T. 19 S., R. 31 E., NMPM, Eddy
County, New Mexico

Dear Mr. Stogner:

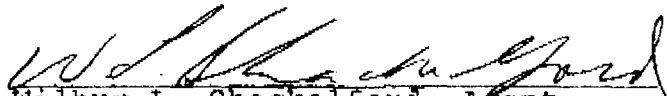
Pursuant to our prior telephone conversations, please schedule Woodbine Petroleum, Inc. on your docket, May 30, 1991, hearing for unorthodox well location.

The unorthodox location is 2540 feet FNL and 2310 feet FEL Sec. 11, T. 19 S., R. 31 E., Eddy County, New Mexico, location of the Woodbine No. 3 Hadson Federal.

Woodbine Petroleum, Inc., 1445 Ross Avenue, LB 234, Suite 3660, Dallas, Texas 75202, 214-855-6263, fax 214-855-6287. Contact person is Don Shackelford, Executive Vice President.

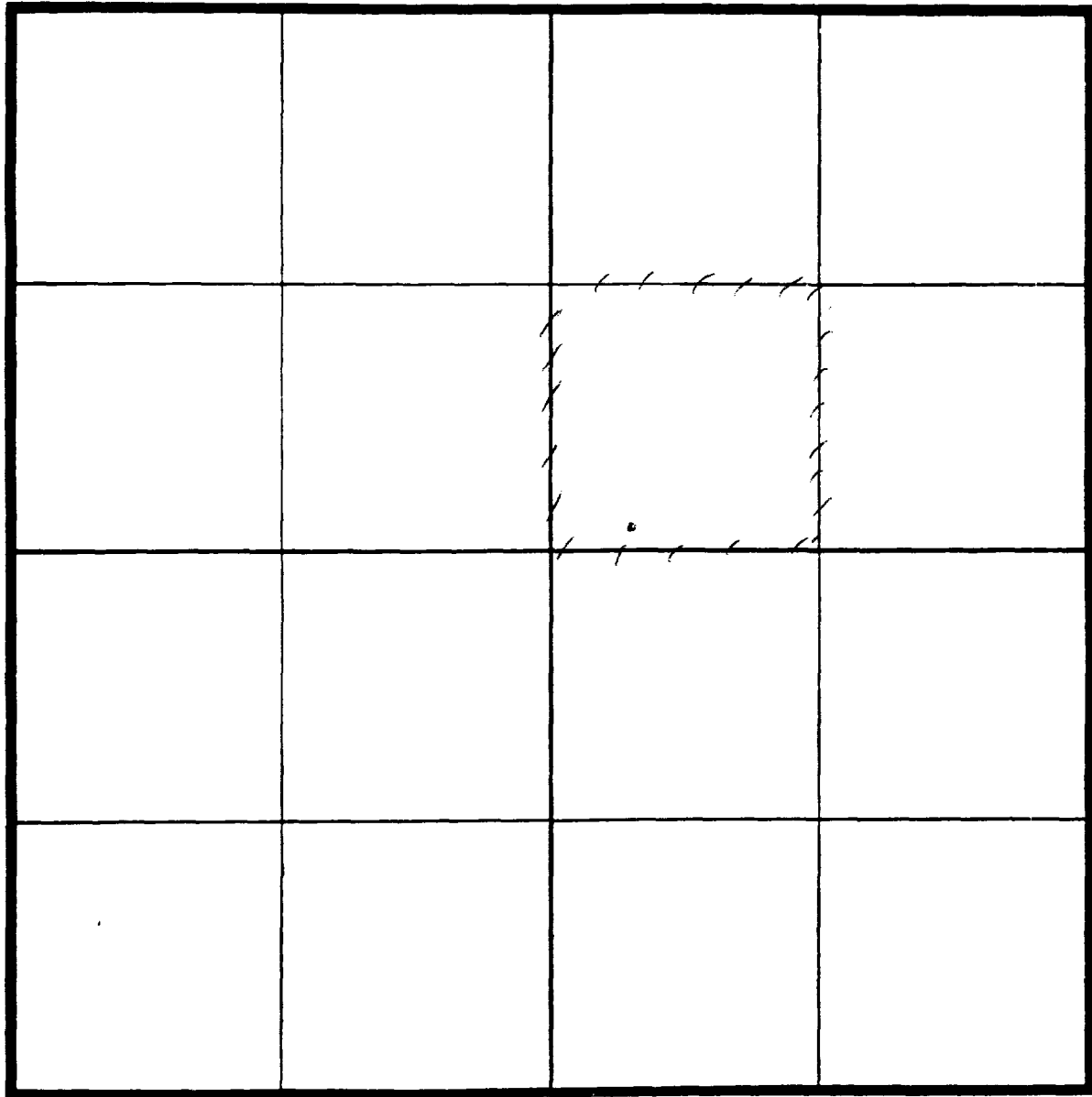
Thank you.

Very truly yours,


Wilbur L. Shackelford, Agent
Woodbine Petroleum, Inc.

WLS:s

Sec. 11 Township No. 195 of Range No. 31 E



COUNTY EddyPOOL Shugart

(Y-SR-Q-G)

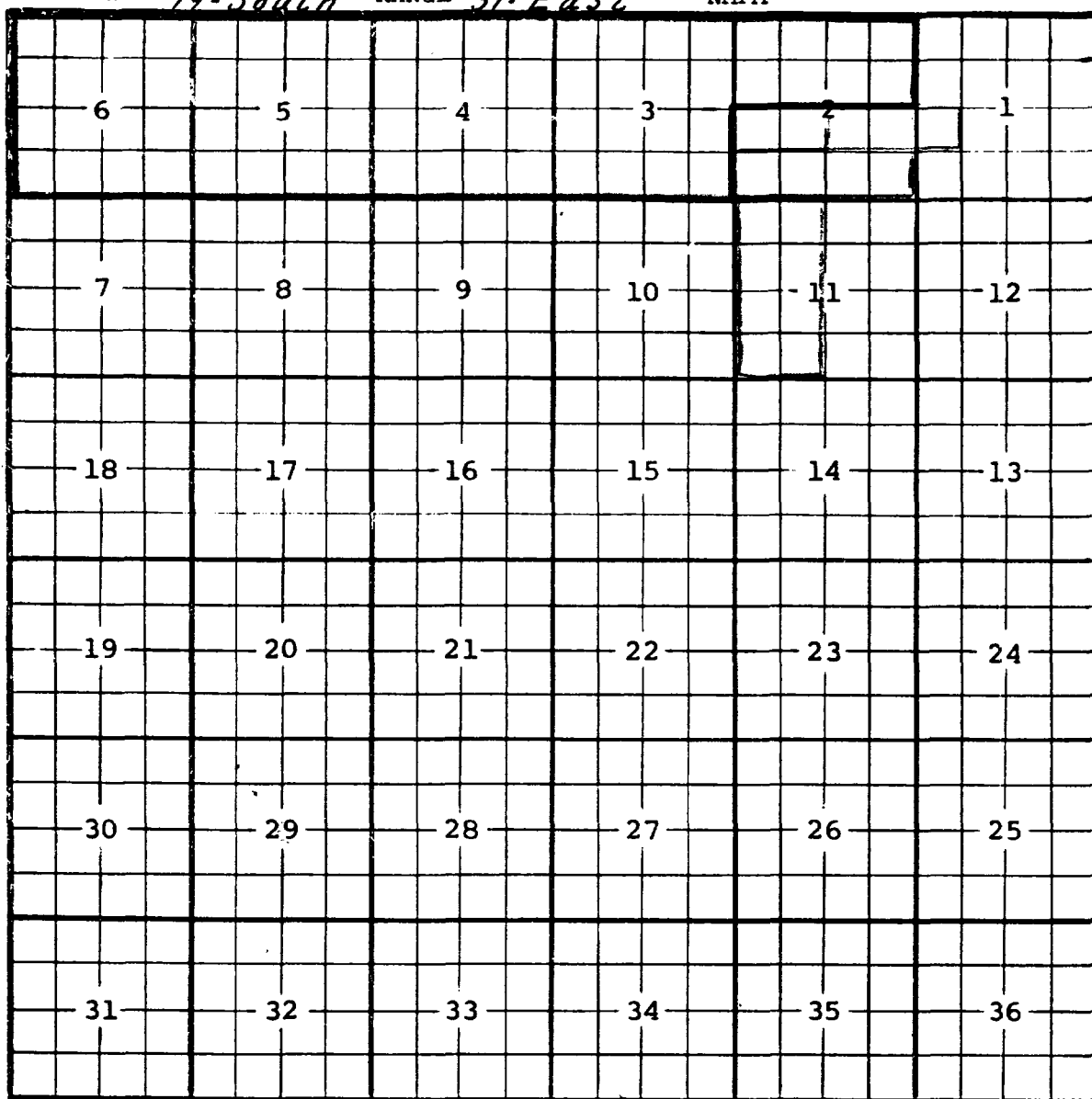
TOWNSHIP

19-South

RANGE

31-East

NMPM

Description: $\frac{NW}{4}$ Sec. 2; $\frac{N}{2}$ Sec. 3.Ext: $\frac{NE}{4}$ $\frac{S}{4}$ Sec. 4 (R-1572, 2-1-60); $\frac{NE}{4}$ Sec. 2; $\frac{SW}{4}$ Sec. 3, (R-1611, 3-1-60); $\frac{SE}{4}$ Sec. 3, (R-1681, 6-1-60); $\frac{E}{2}$ $\frac{NW}{4}$ Sec. 4, (R-1857, 2-1-61); $\frac{W}{2}$ $\frac{NW}{4}$ Sec. 4; $\frac{E}{2}$ $\frac{NE}{4}$ Sec. 5, (R-1907, 4-1-61).Redefined: $\frac{N}{2}$ Sec. 2; All Secs. 3 thru 6, (R-2128, 11-29-61).Ext: $\frac{N}{2}$ $\frac{SE}{4}$ Sec 2 (R-5226, 7-1-76) Ext: $\frac{NW}{4}$ $\frac{SW}{4}$ Sec 1 (R-5754, 7-1-78)Ext: $\frac{N}{2}$ $\frac{SW}{4}$ Sec 2 (R-5988, 5-1-79) Ext: $\frac{S}{2}$ $\frac{S}{2}$ Sec. 2 (R-6499, 11-1-80)EXT: $\frac{W}{2}$ SEC 11, (R-9418, 2-1-91)