

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



BRUCE KING
GOVERNOR



ANITA LOCKWOOD
CABINET SECRETARY

MATTHEW BACA
DEPUTY SECRETARY

November 15, 1991

**HINKLE, COX, EATON,
COFFIELD & HENSLEY**
Attorneys at Law
500 Marquette, NW
Suite 740
Albuquerque, New Mexico 87102

RE: CASE NO. 10410 and 10411
ORDER NO. R-9611 and R-9612

Dear Sir:

Enclosed herewith are two copies of each of the above-referenced Division orders recently entered in the subject cases.

Sincerely,

A handwritten signature in cursive script, appearing to read "Florene".

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM - Carlsbad
T. Kellahin
W. Carr

VILLAGRA BUILDING - 408 Galisteo
Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco
Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5900

LAND OFFICE BUILDING - 310 Old Santa Fe Trail
Oil Conservation Division
P.O. Box 2088 87504-2088
827-5800

OIL CONSERVATION DIVISION
RECEIVED

'91 DE 12 PM 10 07

MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

December 19, 1991

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: William J. LeMay

RE: Order No. R-9611
Red Lake State #1
T18S, R27E, N.M.P.M.
Section 16: W/2
Eddy County, New Mexico

Case 10410

ms.

Gentlemen:

Pursuant to the above captioned order, please be advised all parties to this forced pooling order have reached subsequent voluntary agreement and therefore said order has no further effect.

Sincerely,

Mewbourne Oil Company



Gary L. Winter
District Landman

GLW/nb

CC: Allen Brinson
Ken Waits
Monty Whetstone

MEWBOURNE OIL COMPANY

500 W, TEXAS, SUITE 1020

MIDLAND, TEXAS 79701

(915) 682-3715

FAX (915) 685-4170

November 20, 1991

CERTIFIED MAIL - RETURN RECEIPT

Chevron USA Inc.
P. O. Box 1150
Midland, Texas 79702

Attention: Mr. James E. Baca
Land Representative

RE: Order No. R-9611
Red Lake State #1
W/2 of Section 16,
T18S, R27E
Eddy County, New Mexico

Gentlemen:

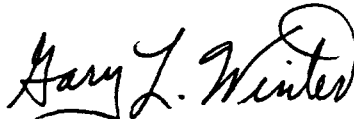
Regarding the captioned well, enclosed for your information and consideration is a copy of Order No. R-9611 issued by the Oil Conservation Division.

Regarding Ordering Paragraphs (4) and (5) of the referenced Order, enclosed for Chevron's consideration is a copy of Mewbourne's AFE (estimated well cost) for the captioned well.

In the event Chevron does not desire to join in the well or be forced pooled, please consider the farmout terms proposed to Chevron by letter dated October 30, 1991.

Sincerely,

Mewbourne Oil Company



Gary L. Winter
District Landman

GLW/nb
enclosure

MEWBOURNE OIL COMPANY
Authorization for Expenditure

Prospect Red Lake Well Name and No. Red Lake State #1
 Field Red Lake (Morrow) Location 990' FSL and 1980' FWL
 Section 16 Block _____ Township 18S Range 27E Survey _____
 County Eddy State N.M. Proposed Depth 9900'

DESCRIPTION		COST TO CASING POINT AFE NO. 91-D-15	COMPLETION COST AFE NO. 91-C-15
<u>INTANGIBLE COST 180</u>			
300	Permits & Surveys	\$ 600.00	\$ 700.00
301	Location, Roads & Damages	20,000.00	2,000.00
302	Footage or Turnkey Drilling	173,250.00	- 0 -
303	Day Work	20,000.00	- 0 -
304	Fuel, Water & Other	20,000.00	1,000.00
305	Completion/Workover Rig	- 0 -	15,000.00
306	Mud & Chemicals	15,000.00	- 0 -
307	Cementing	15,000.00	22,000.00
308	Logging & Wireline	17,000.00	7,000.00
309	Casing - Tubing Services & Tools	2,500.00	2,000.00
310	Mud Logging	5,000.00	- 0 -
311	Testing	4,000.00	2,000.00
312	Treating	- 0 -	45,000.00
313	Coring	- 0 -	- 0 -
320	Transportation	2,500.00	5,000.00
321	Welding & Construction Labor	2,500.00	1,000.00
322	Contract Supervision	- 0 -	- 0 -
330	Equipment Rental	6,000.00	4,000.00
334	Well/Lease Legal/Tax	2,500.00	- 0 -
335	Well/Lease Insurance	19,800.00	- 0 -
350	Intangible Supplies	500.00	500.00
360	Pipeline ROW & Easements	- 0 -	500.00
367	Pipeline Interconnect	- 0 -	15,000.00
375	Company Supervision	19,200.00	7,000.00
380	Overhead Fixed Rate	7,200.00	3,400.00
399	Contingencies	17,628.00	6,655.00
Total Intangibles		\$ 370,178.00	\$ 139,755.00
<u>TANGIBLE COST 181</u>			
	Conductor Casing 20" @ 50'	\$ 3,000.00	\$ - 0 -
	Surface Casing 13-3/8" @ 400'	8,800.00	- 0 -
	Inter. Casing 8-5/8" @ 1800'	21,600.00	- 0 -
	Production Casing 5-1/2" @ 9900'	- 0 -	74,250.00
	Production Casing		
	Tubing 2-7/8" @ 9900'	- 0 -	22,770.00
860	Drilling Head	4,500.00	- 0 -
865	Tubing Head	- 0 -	2,500.00
870	Upper Section	- 0 -	4,500.00
875	Sucker Rods	- 0 -	- 0 -
880	Packer, Pump & Other Subsurface	- 0 -	6,000.00
885	Pumping Unit	- 0 -	- 0 -
890-1	Tanks (Steel, Fiberglass)	- 0 -	6,000.00
894-5	Separation Equipment (Fired, Non-fired)	- 0 -	10,000.00
898	Metering Equipment	- 0 -	7,000.00
900	Line Pipe	- 0 -	10,000.00
905	Valves	- 0 -	5,000.00
906	Miscellaneous Fittings & Accessories	- 0 -	3,000.00
910	Production Equipment Installation	- 0 -	10,000.00
920	Pipeline Construction	- 0 -	25,000.00
Total Tangibles		\$ 37,900.00	\$ 186,020.00
Subtotal		\$ 408,070.00	\$ 325,775.00
TOTAL WELL COST		\$ 733,853.00	

Date Prepared: September 23, 1991
 Prepared By: Erick W. Nelson
 Company Approval: [Signature]
 Date Approved: 9-23-91
 Joint Owner Approval: _____

Joint Owner Interest: _____
 Joint Owner Amount: _____

COUNTY Eddy

POOL

Red Lake

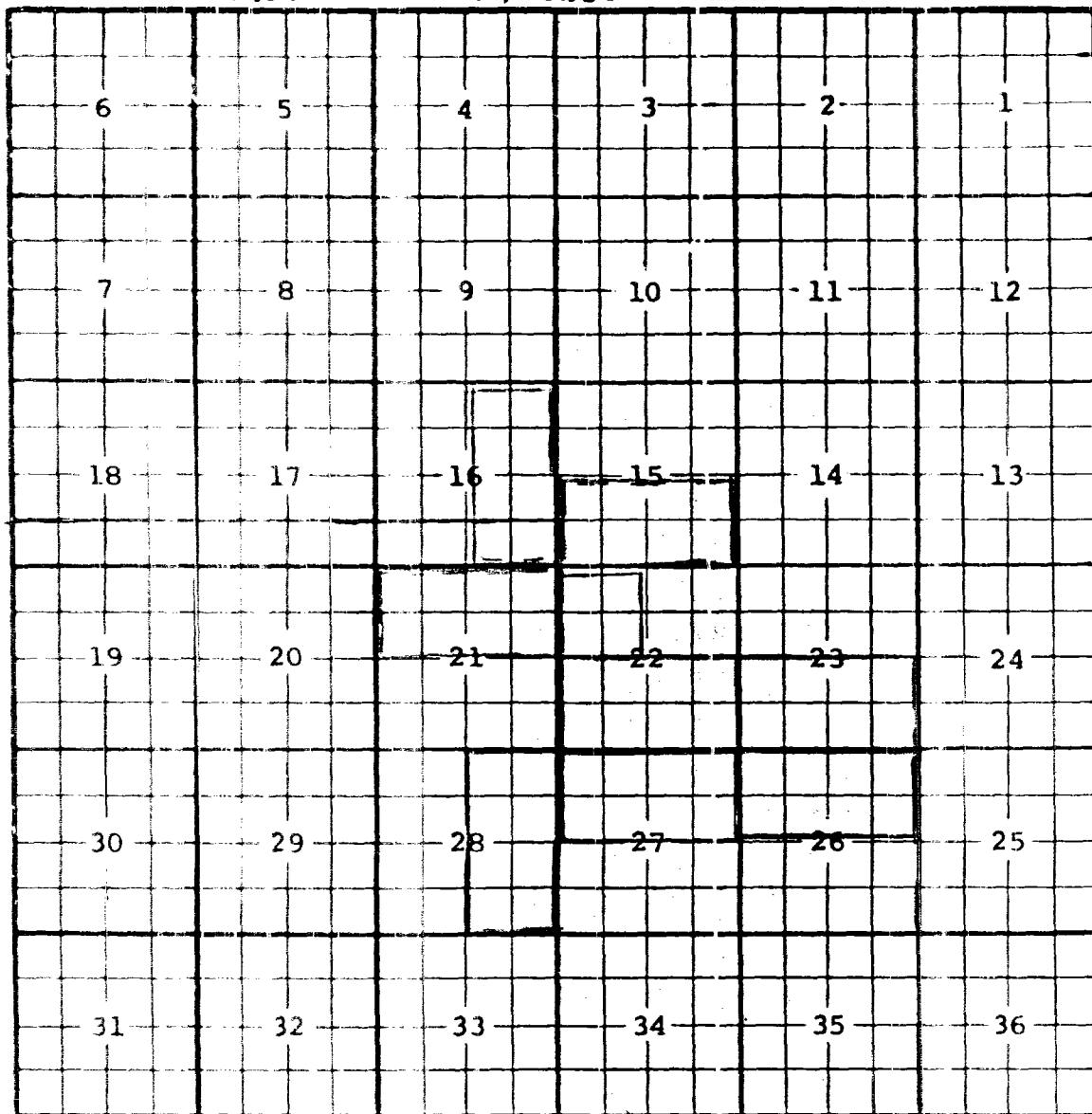
Atoka-Morrow Gas

TOWNSHIP 18 South

RANGE

27 East

NMPM



Description: $\frac{1}{2}$ Sec. 27 (R-3342, 12-1-67) EXT: $\frac{1}{2}$ Sec. 22, $\frac{1}{2}$ Sec. 23,
 $\frac{1}{2}$ Sec. 28 (R-6170, 11-1-79)

Extend vertical limits to include Atoka formation and redesignate
 as East Atoka Atoka-Morrow Gas Pool (R-7532, 4-20-84)

Redesignate as Red Lake Atoka-Morrow Gas Pool (R-7555, 6-15-84)

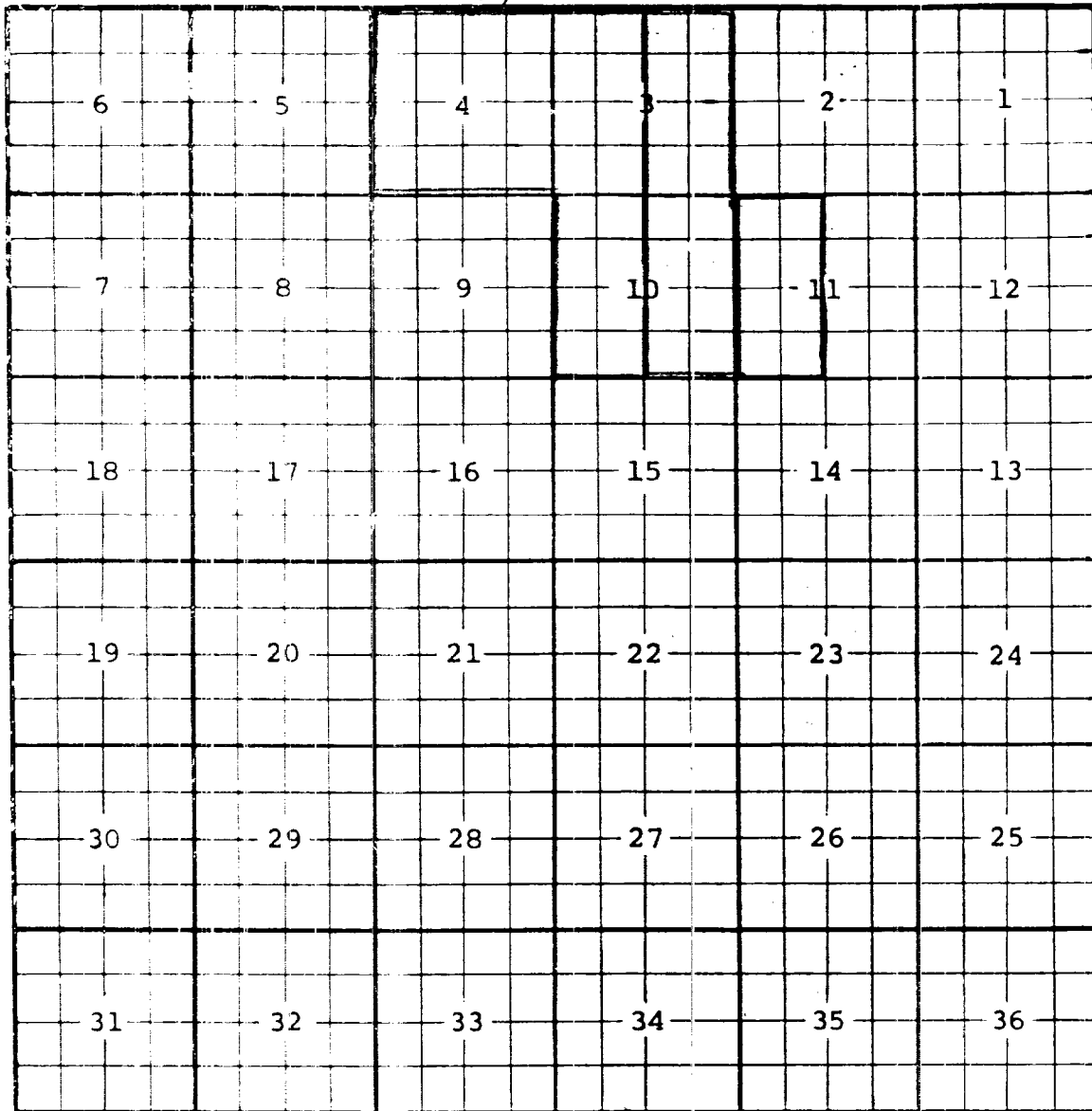
EXT. NW $\frac{1}{4}$ SEC. 22 (R-8522, 10-1-87) EXT: $\frac{1}{2}$ SEC. 15 (R-8665, 6-15-88)

EXT: N $\frac{1}{2}$ SEC. 26 (R-8969, 8-1-89) EXT: $\frac{1}{2}$ SEC. 16 (R-9326, 11-1-90)

EXT: N $\frac{1}{2}$ SEC. 21 (R-9473, 4-1-91)

COUNTY EddyPOOL Scoggin Draw - Morrow GasTOWNSHIP 18 SouthRANGE 27 East

NMPM

Description $\frac{1}{2}$ Sec 11 (R-4291, 5-1-72)Ext: $\frac{1}{2}$ Sec 3, $\frac{1}{2}$ Sec 10 (R-6328, 5-1-80)Ext: $\frac{1}{2}$ Sec 3, $\frac{1}{2}$ Sec 4, $\frac{1}{2}$ Sec 10 (R-6657, 4-20-81)

COUNTY Eddy POOL Red Lake - Pennsylvanian Gas

TOWNSHIP 18-South RANGE 27-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: All Sec. 5, (R-986, 4-29-57).

Ext: ^{NE}/₄ Sec. 8, (R-1340, 3-1-59); ^{SE}/₄ Sec. 8; ^{NE}/₄ Sec. 17,
(R-1532, 12-1-59). Ext: ⁵/₂ Sec 7, ^W/₂ Sec 8 (R-4734, 3-1-74)

Ext: ^N/₂ Sec 18 (R-4821, 8-1-74) Ext: ⁵/₂ Sec 18 (R-4969, 4-1-75)

Ext: ^N/₂ Sec 7 (R-5102, 10-1-75) Ext: All Sec 6, ^W/₂ Sec 19 (R-5171, 4-1-76)

Ext: ^N/₂ Sec 29, ^N/₂ Sec 30 (R-5361, 3-1-77) Ext: ^E/₂ Sec 19, -

- ^W/₂ Sec 20 (R-5838, 11-1-78) Ext: ⁵/₂ Sec. 29 (R-6420, 8-1-80).