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State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

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

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

Unit Letter B Section 12 Township 16 South Actual Poctage Location of Well: 990 feet from the North line and 2310 feet from the East line Ground level East. Producing Formation 3868.0 Northeast Lovington Denocard variation 1. Outline the acreage dedicated to the subject well by colored peacif or hackure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease is dedicated to the well, that the whole that form it is necessary. Yes No If snewer is "yo" type of consolidation If snewer is "yo" that the owners and trust descriptions which have actually been consolidated. (Une reverse side of that form it secessary. No allowable will be assigned to the well until all interests have been consolidated. (Une reverse side of that form it secessary. No allowable will be assigned to the well until all interests have been consolidated. (Une reverse side of my humorabete and build.) Signature OPERATOR CRETIFICATION Acres Printed Name Pool Position Position	Operator BRID	GE OIL C	OMPANY LP		Lease Roy	Anderson			Well No.	
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Cartering May 1 Contra W. West, W						2		m this plat winctual surveye supervison, amorrect to the seller. Date Surveyed Signature & Se Professional Surveyed Services Services Services Surveyed Services Ser	Man No. 22, 2	reld notes of under my is true and owledge and owledge and of the second
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EAST LOVINGTON PROSPECT Lea County, New Mexico

The primary objective of the captioned prospect is the Strawn limestone at a depth of approximately 11,500°. The Prospect is located approximately two miles east of Lovington, New Mexico. Regionally it is positioned on the north end of the prolific NE Lovington Strawn complex. Production is from a wide spread series of Strawn age algal mounds which were developed on the east and north flank of a large regional N-S trending pre-Penn structure. The mounds will support from one (1) to six (6) wells depending on their individual size. Detailed seismic definition of the isolated mounds is a prerequisite to help establish the parameters within which to drill the initial emploratory test well. The risk is extremely high, and it is therefore absolutely essential that the test be located within these parameters.

There are five (5) lines of control through the prospect area on a relatively detailed grid. These lines are tied to at least five (5) additional lines of control in the overall area. The interpretation on the Strawn indicates a minor closure under the drillsite as well as an abundant number of seismic "amplitude anomalies" associated with the area of closure. The "anomalies", shown in orange on the map, are seismic "signatures" normally indicating a thickening or mounding within the Strawn that is associated with porous rock. The "signatures" are very critical in locating algal mounds, and in view of the small size of individual mounds, a close grid is necessary to confirm a cluster or continuance of the anomalies from line to line. The number of wells and subsequent production potential of individual mounds is closely related to the number and size of seismic "anomalies" associated with a mound.

Bridge's proposed location is shown on the attached Exhibit of the <u>Strawn Structure Map</u>. As indicated by the cluster of "anomalies" associated with the drillsite, the prospective mound is small - probably two (2) wells. As stated above, it is imperative that the initial location be surrounded by as many interpreted amplitude anomalies as possible. In this case we were not able to drill a standard location for that reason.