

BETTIS BROTHERS, INC.

500 W. Wall, Suite 312
Midland, Texas 79701
915/685-4128

APR 11 1987
April 30, 1987

New Mexico Oil Conservation Division
Energy & Minerals Department
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. William J. LeMay

Case 9151

Re: Unorthodox Location
Pickett Draw Fed. Well No. 1
1980' FWL & 660' FNL
Section 9, T25S-R29E
Eddy County, New Mexico

Gentlemen:

Bettis, Boyle & Stovall wishes to apply for an unorthodox location permit on the above-named well. The above referenced location makes the Atoka "A-3" and "A-5" sands much more prospective based upon our subsurface geology.

Prospective formations of interest are as follows:

Wolfcamp	9,800'
Strawn lime	12,250'
Atoka "A-3" sand	12,400'
Atoka "A-5" sand	12,450'
Atoka bank	12,500'
Morrow	13,250'

We are obligated to spud the well on or before June 1, 1987, so your earliest consideration of our request would be appreciated.

Yours very truly,

BETTIS, BOYLE & STOVALL



Harry M. Bettis, Jr.

HMBJr/kl
Enclosures

OFFSET OPERATORS
TO
PROPOSED UNORTHODOX LOCATION
BETTIS, BOYLE & STOVALL
NO. 1 PICKETT DRAW FEDERAL
1980' FWL & 660' FNL
SECTION 9, T25S-R29E
EDDY COUNTY, NEW MEXICO

Chevron U.S.A., Inc.
dba Gulf Oil Exploration & Production Co.
P. O. Box 1150
Midland, Texas 79702
Attn: D. H. Messer

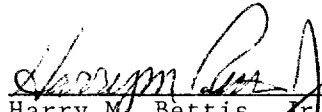
Meridian Oil Production, Inc.
21 Desta Drive
Midland, Texas 79705
Attn: Phil M. Whitsitt

Exxon Company, U.S.A.
P. O. Box 1600
Midland, Texas 79702-1600
Attn: James Howell

Enron Oil & Gas Company
P. O. Box 2267
Midland, Texas 79702
Attn: Bill Lewis

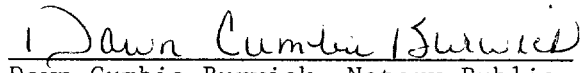
This is to certify that the above-named offset operators have been notified by hand-delivered mail of Bettis, Boyle & Stovall's request for an unorthodox location for the No. 1 Pickett Draw Federal well located in Section 9, T25S-R29E, Eddy County, New Mexico.

Date: 5/5/87



Harry M. Bettis, Jr.
BETTIS, BOYLE & STOVALL

Date: 5-5-87



Dawn Cumbie Burwick, Notary Public
in and for the State of Texas

My Commission Expires

2-18-90

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐ PLUG BACK ☐			5. LEASE DESIGNATION AND SERIAL NO. USA NM-15303		
b. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR Bettis, Boyle & Stovall			7. UNIT AGREEMENT NAME		
3. ADDRESS OF OPERATOR P. O. Box 1240, Graham, Texas 76046			8. FARM OR LEASE NAME Pickett Draw Federal		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 660' FNL & 1980' FWL, Section 9, T25S-R29E At proposed prod. zone Straight hole			9. WELL NO. 1		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 7 miles SE from Malaga, New Mexico			10. FIELD AND POOL, OR WILDCAT Wildcat		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 9, T25S-R29E		
16. NO. OF ACRES IN LEASE 320			12. COUNTY OR PARISH Eddy		
17. NO. OF ACRES ASSIGNED TO THIS WELL 320			13. STATE NM		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None			14. PROPOSED DEPTH 14,200'		
19. ROTARY OR CABLE TOOLS Rotary			20. APPROX. DATE WORK WILL START* June 1, 1987		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 2944.8 GR			22. APPROX. DATE WORK WILL START*		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	20"	94#	625'	1200 sx circulated
16"	13 3/8"	72#	3,100'	2350 sx circulated
12 1/2"	9 5/8"	43#-47#	10,100'	400 sx
8 1/2"	7" liner	26#	12,350'	350 sx TOL: 9,800'
6 1/2"	5 1/2" liner	20#	14,200'	215 sx TOL: 12,000'

BOP: Install at 3200' w/3000# cap and 2450# annular preventor. At 10,500' increase to 10,000# cap w/5000# annular preventor. Will use standard surface controlled BOP installation.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED T. S. Stovall TITLE Superintendent DATE 5-1-87
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plat, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

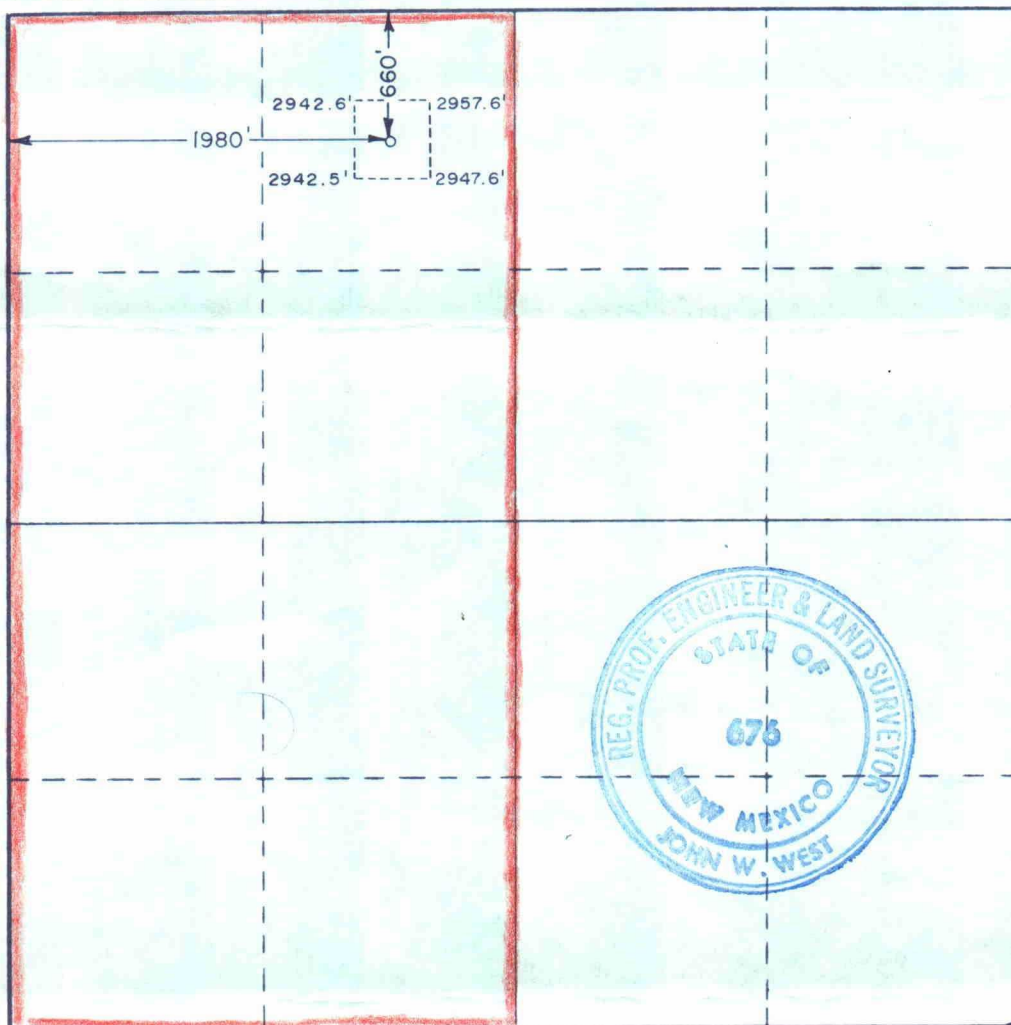
Operator BETTIS BOYLE & STOVAL			Lease PICKETT DRAW FEDERAL		Well No. 1
Unit Letter C	Section 9	Township 25 SOUTH	Range 29 EAST	County EDDY	
Actual Footage Location of Well: 660 feet from the NORTH line and 1980 feet from the WEST line					
Ground Level Elev. 2944.8	Producing Formation MORROW	Pool WILDCAT	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

T.H. Griffin
Name

T.H. GRIFFIN
Position

SLEPT
Company

BETTIS BOYLE & STOVAL
Date

5-1-87

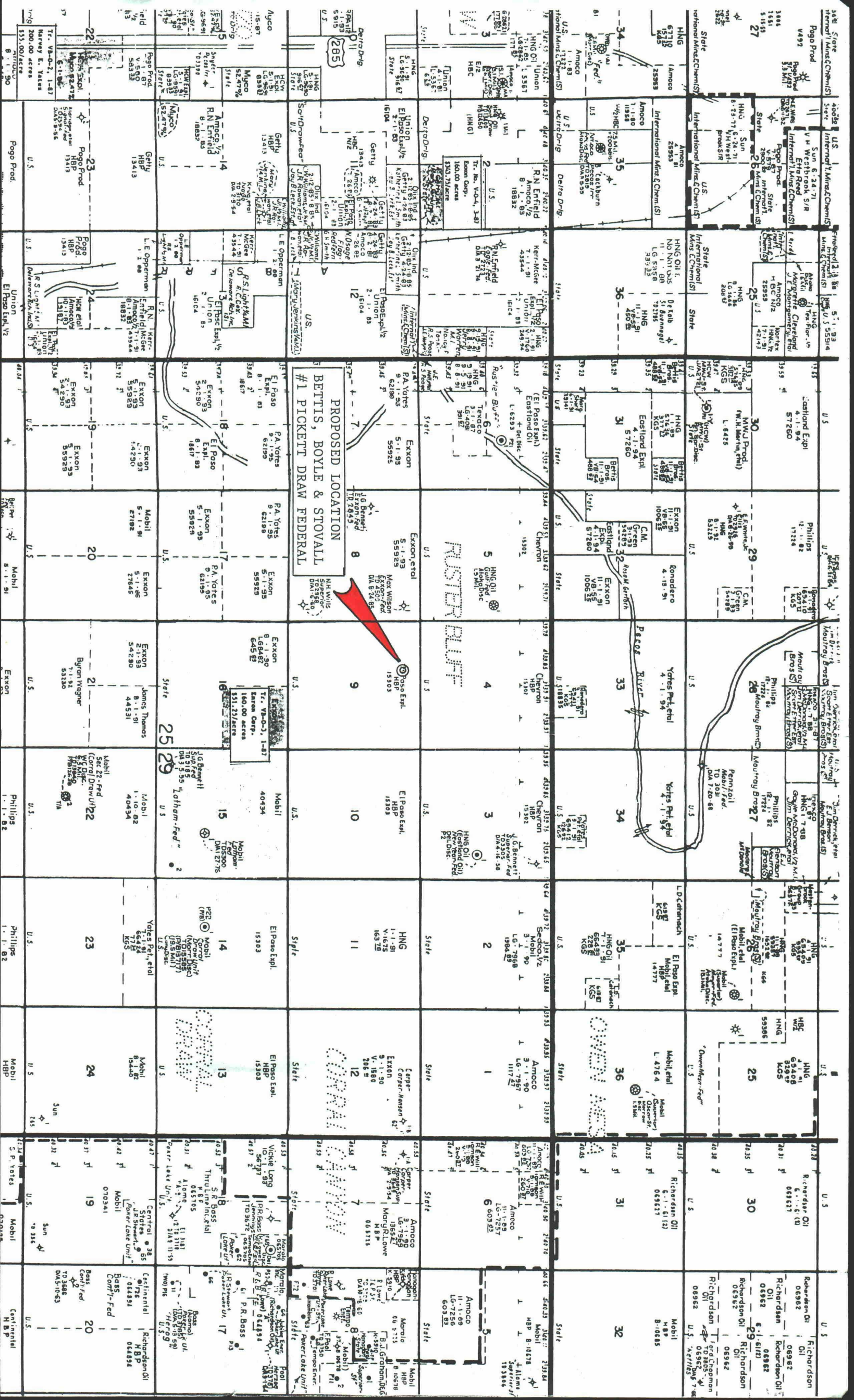
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
April 24, 1987

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239



BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

RECEIVED
MAY 27 1957

IN THE MATTER OF THE APPLICATION
OF BETTIS, BOYLE & STOVALL FOR
AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

Case 9151

APPLICATION

Bettis, Boyle and Stovall, by and through its undersigned counsel, hereby apply to the Oil Conservation Division for an Order approving an unorthodox gas well location. In support thereof, applicants state:

1. Applicants are the operator of the Morrow Formation underlying the W/2 of Section 9, Township 25 S, Range 29 E, N.M.P.M., and propose to drill a well at a point 1980 feet FWL and 660 feet FNL of said Section 9.

2. Applicants seek an exception to the well location requirements of Oil Conservation Division Rule 104 to permit the drilling of their No. 1 Pickett Draw Federal Well at the above described unorthodox well location to a depth sufficient to adequately test the Morrow Formation.

3. A standard 320 acre gas proration unit comprising the W/2 of said Section 9 should be dedicated to the Well.

4. Approval of this Application will afford applicants the opportunity to produce their just and equitable share of gas in the Morrow Formation and will otherwise be in the best interest of conservation, the protection of correlative rights and the prevention of waste.

5. Additionally, because of pending farmout and lease expiration dates, and in order to protect the correlative rights of the interest owners in the pool as they now exist, applicants request the entry of an expedited order as soon as is practicable following the hearing on this matter.

WHEREFORE, applicants request that this matter be set for hearing before a duly appointed examiner of the Oil Conservation Division on June 17, 1987, that notice be given as required by law and the rules of the Division, and that the Division enter its expedited order granting this Application and providing such other and further relief as is proper in the premises.

Respectfully submitted:

CAMPBELL & BLACK, P.A.

By 
J. Scott Hall
P.O. Box 2208
Santa Fe, New Mexico 87504-2208
(505) 988-4421

ATTORNEYS FOR BETTIS, BOYLE &
STOVALL