

**Sun Exploration and
Production Company**

No 24 Smith Road
ClayDesta Plaza
PO Box 1861
Midland TX 79702 9970
915 688 0300

September 28, 1987

State of New Mexico
Energy and Mineral Dept.
Oil Conservation Division
P. O. Box 2088
Santa, Fe, New Mexico 87504-2088

Attn: Mr. Michael E. Stogner
Engineer

Case 9264

RE: Request Amendment to Division
Order No. R-6483 dated 10-20-80
Application for a 640 Acre
Unorthodox Location and Simultaneous
Dedication
Sun Exploration & Production Co.
State "A" A/C-2 Well No. 73
Jalmat Gas Pool
Yates-Seven Rivers Formation
P, 990' FSL & 660' FEL,
Sec. 11, T-22-S, R-36-E
Lea County, New Mexico

Dear Mr. Stogner:

As previously discussed over the telephone, I am resubmitting application to drill the captioned location. Sun requests approval to amend Division Order No. R-6483 dated October 20, 1980 to include well No. 73 to simultaneously dedicate 640 acres to the State "A" A/C-2 Wells No. 14, 36, 42, 62 and 73 located in Units B, M, E, K and P of Section 11. Sun also seeks an unorthodox location for 640 acres in the Jalmat Gas Pool.

Offset Operators have been notified by registered mail on September 28, 1987, list attached.

Yours truly,

Maria L. Perez

Maria L. Perez
Accounting Associate
A/C 915-688-0375

Attachments

**Sun Exploration and
Production Company**

No 24 Smith Road
ClayDesta Plaza
PO Box 1861
Midland TX 79702 9970
915 688 0300



September 28, 1987

TO ALL OFFSET OPERATORS
(LIST ATTACHED)

RE: Offset Operator Notification
Request Amendment to Division
Order No. R-6483 dated 10-20-80
Application for a 640 acre
Unorthodox Location and Simultaneous
Dedication
Sun Exploration & Production Co.
State "A" A/C-2 Well No. 73
Jalmat Gas Pool
Yates-Seven Rivers Formation
P, 990' FSL & 660' FEL,
Sec. 11, T-22-S, R-36-E
Lea County, New Mexico

Gentlemen:

This is to amend previously submitted application to drill dated
August 26, 1987.

Sun has requested approval from the Oil Conservation Division
in Santa Fe to amend Division Order No. R-6483 dated October
20, 1980 to include Well No. 73 to simultaneously dedicate
640 acres to the State "A" A/C-2 Wells No. 14, 36, 42, 62 and 73
located in Units B, M, E, K and P of Section 11. Sun also seeks
approval for an unorthodox location for 640 acres in the
Jalmat Gas Pool.

Yours truly,

A handwritten signature in cursive script that reads "Maria L. Perez". The signature is written in dark ink and is positioned above the typed name.

Maria L. Perez
Accounting Associate

Attachments

OFFSET OPERATORS

State "A" A/C-2 Well No. 73
Sec 11, T-22-S, R-36-E,
Lea County, New Mexico

Arco Oil and Gas Company
P. O. Box 1610
Midland, Texas 79702

Cities Service Company
Midland Nat'l Bank Tower
P. O. Box 1919
Midland, Texas 79702

Continental Emsco Company
P. O. Box 519
Hobbs, New Mexico 88240

Gulf Oil Exploration and Production Co.
P. O. Box 1150
Midland, Texas 79702

Marathon Oil Company
125 W. Missouri Street
Midland, Texas 79702

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-101
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease	
STATE ☒	FEE ☐
5. State Oil & Gas Lease No.	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well DRILL ☒ DEEPEN ☐ PLUG BACK ☐ OIL WELL ☒ or GAS WELL ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐		8. Farm or Lease Name State "A" A/C-2	
2. Name of Operator Suñ Exploration & Production Co.		9. Well No. 73	
3. Address of Operator P. O. Box 1861, Midland, Texas 79702		10. Field and Pool, or Wildcat Arrowhead or Jalmat	
4. Location of Well UNIT LETTER <u>P</u> LOCATED <u>990</u> FEET FROM THE <u>South</u> LINE AND <u>660</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>11</u> TWP. <u>22-S</u> RGE. <u>36-E</u> NMPM		12. County Lea	
19. Proposed Depth 4000'		19A. Formation Grayburg or Yates Seven Rvrs.	
20. Rotary or C.T. Rotary		21. Elevations (Show whether DF, RT, etc.) 3519' GR	
21A. Kind & Status Plug. Bond Blanket		21B. Drilling Contractor -	
22. Approx. Date Work will start Upon Approval			

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	24#	450'	350	Surf.
7-7/8"	5-1/2"	14#	3800'	950	Surf.

Blowout Preventer: 10" hydraulic

Expected Tops:

Tansill	2700'
Jalmat (Yates)	2870'
Jalmat (Seven Rivers)	3090'
Queen-Penrose Sand	3485'
Arrowhead (Grayburg)	3700'

Applying for either:

Arrowhead (Grayburg) - Oil

OR

Jalmat (Yates-Seven Rivers) - Gas

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Maria L. Piro Title Accounting Associate Date 8-26-87
(This space for State Use)

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

**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

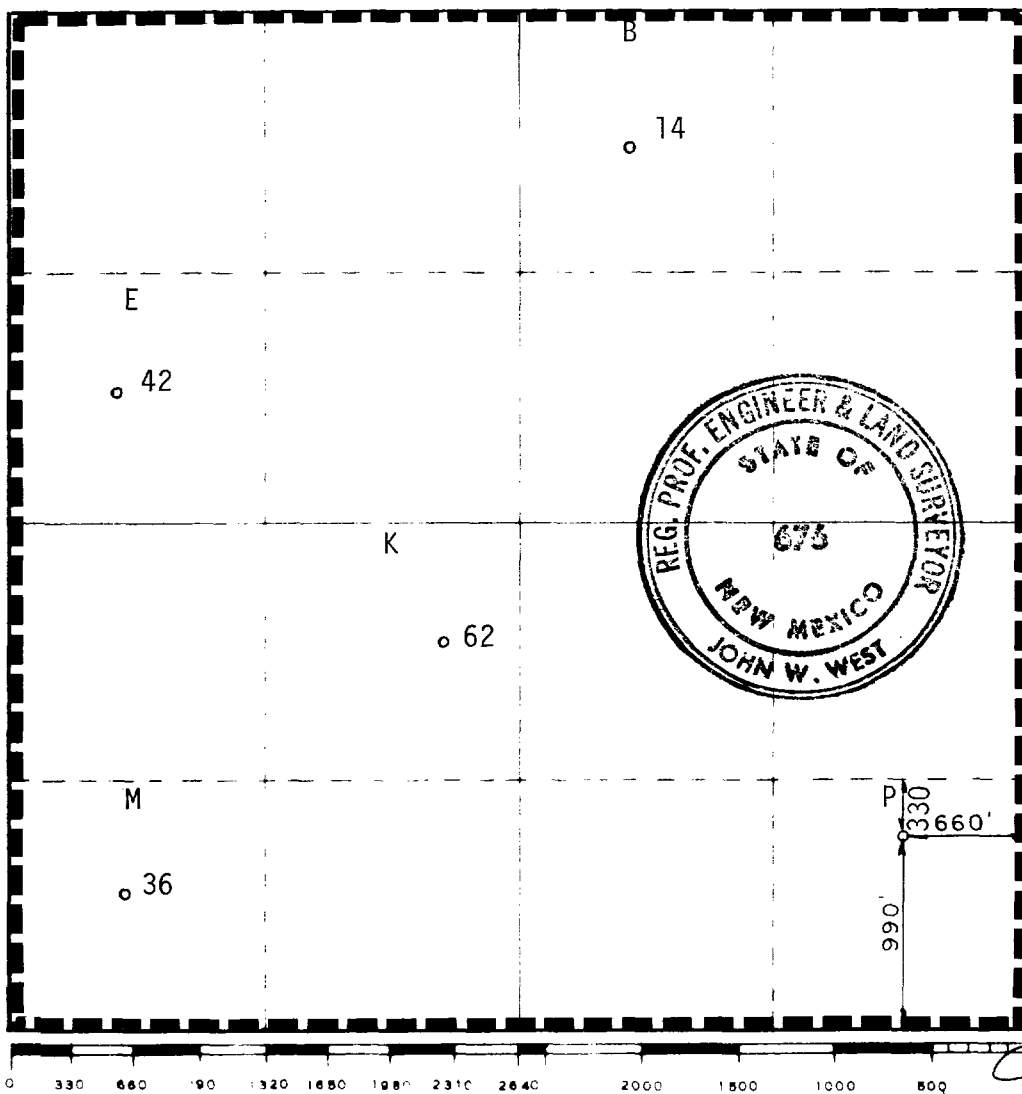
Operator: Sun Exploration & Production Co.			Lease: State "A" A/C-2		Well No.: 73
Unit Letter: P	Section: 11	Township: 22-N	Range: 36-E	County: Lea	
Actual Surface Location of Well: 99' feet from the South line and 660' feet from the East line					
Ground Level Elev.: 3519.0	Producing Formation: Yates-Seven Rivers		Pool: Jalmat Gas		Dedicated Acreage: 640 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 well 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.

Maria L. Perez
Name: **Maria L. Perez**

Position: **Accounting Associate**

Company: **Sun Exploration & Production Co.**

Date: **9-28-87**

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: **August 11, 1987**

Registered Professional Engineer and/or Land Surveyor

John W. West

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

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

Form C-102
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section

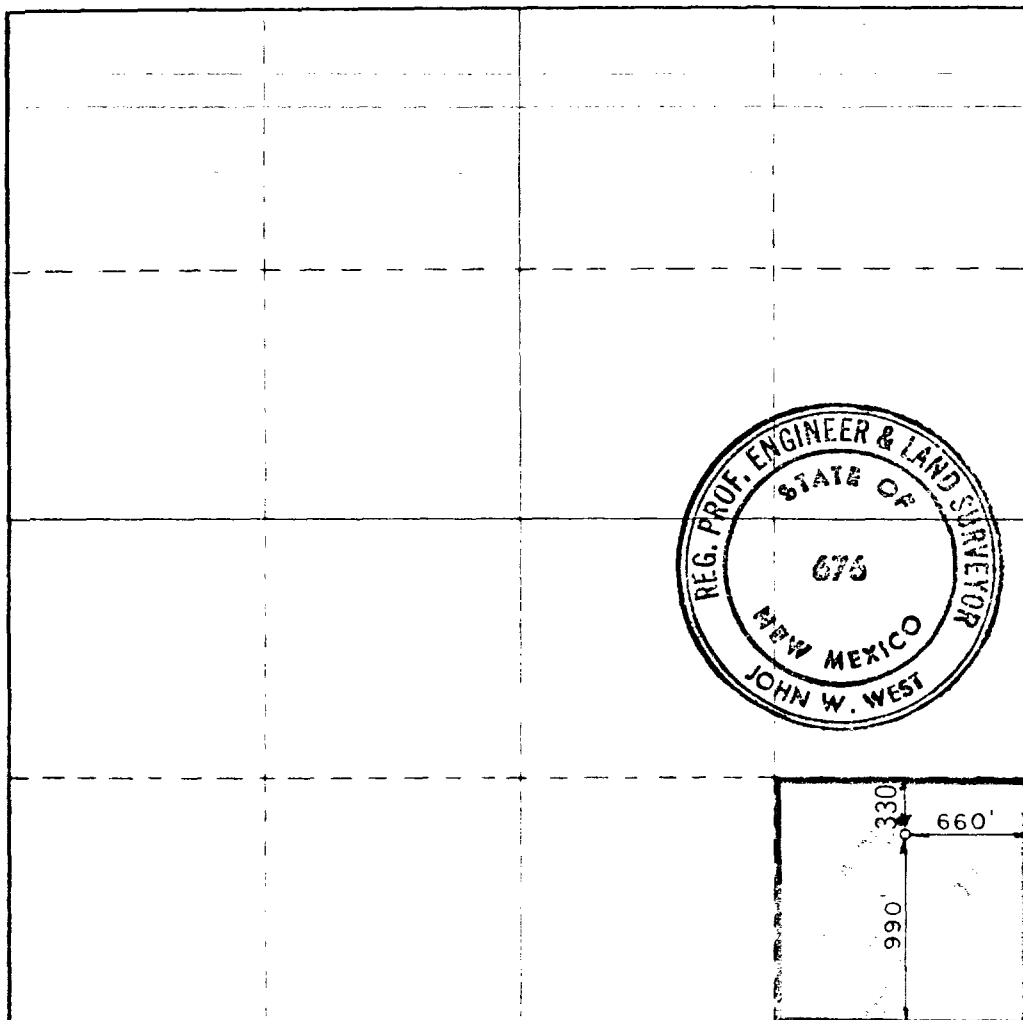
Operator Sun Oil Exploration			Lease State "A" A/C-2		Well No. 73
Tract Letter P	Section 11	Township 22-S	Range 36-E	County Lea	
Actual Footage Location of Well: 990 feet from the South line and 660 feet from the East line					
Ground Level Elev. 3519.0	Producing Formation Grayburg	Pool Arrowhead		Dedicated Acreage: 40 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.

Maria L. Perez
Name
Maria L. Perez

Position
Accounting Associate

Company
Sun Expl. & Prod. Co.

Date
8-26-87

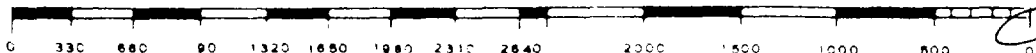
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

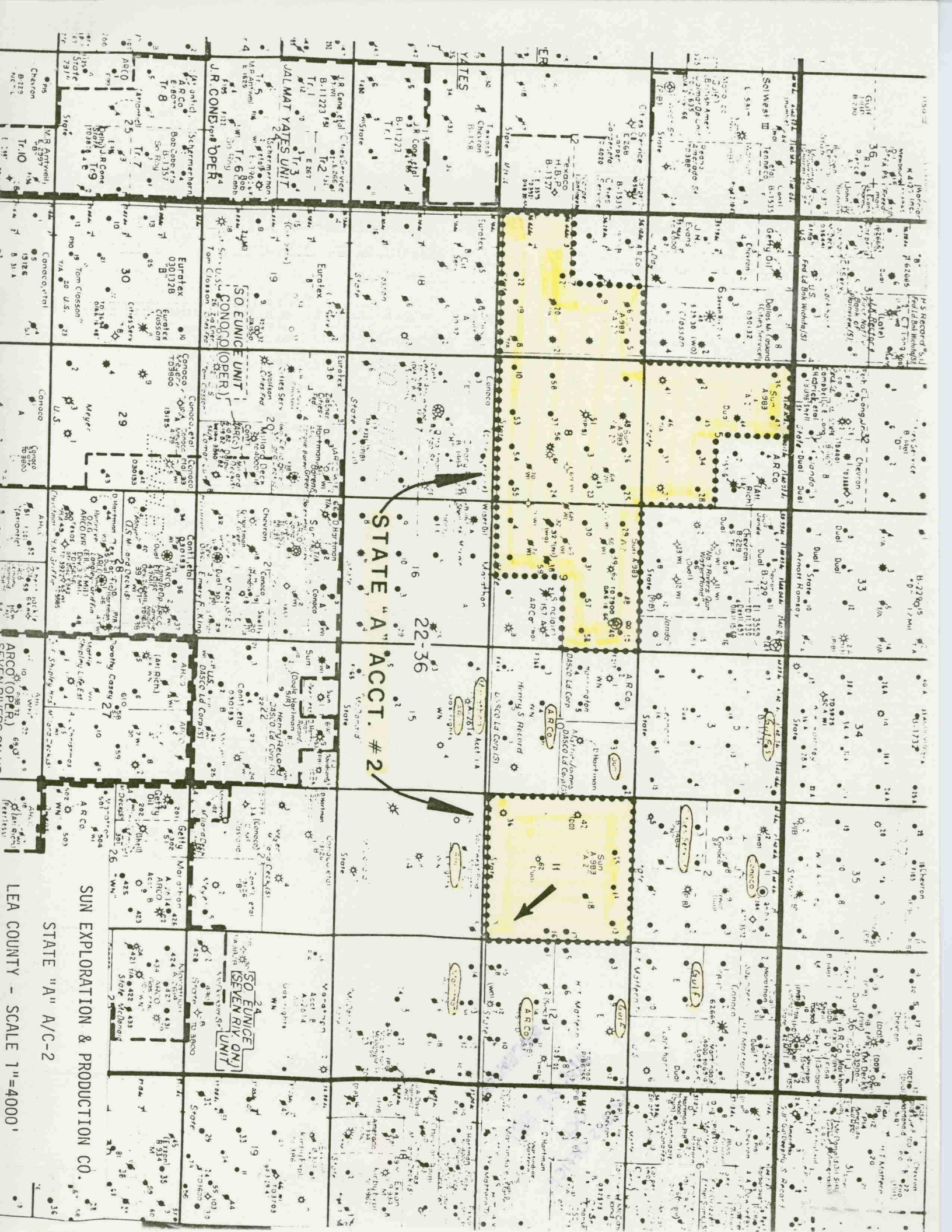
Date Surveyed
August 11, 1987

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **JOHN W. WEST, 676**

RONALD 3239





STATE "A" ACCT. #2

SO EUNICE UNIT (SEVEN RIV ONLY)

SUN EXPLORATION & PRODUCTION CO.
STATE "A" A/C-2
LEA COUNTY - SCALE 1"=4000'

RECEIVED

AUG 28 1987

**OCD
HOBBS OFFICE**

APRIL	1987	SOUTHEAST GAS PRODUCTION SCHEDULE	PAGE 37	APRIL	1987	SOUTHEAST GAS PRODUCTION SCHEDULE	PAGE 38
JALMAT TANSILL YI 7 RVRS (PRO GAS)	DESCRIPTION STAT AF	FEB PROD	APR ALLOC	JUSTIS GLORIETA (PRORATED GAS)	DESCRIPTION STAT AF	FEB PROD	APR ALLOC
MANA NOT C	N .25	1108	611	STATE N.A. COM	M 1.00		
W A 18000000		2630-		JA 225537E	N 1.00		
13000000				ALCON OIL & GAS COMPANY			
21000000		1658		EL 1225537E	N 1.00	2967	2161
P. U. 30000000	N 3.00	25628	7326	CHEVRON U.S.A. INC			
GREAT WESTERN DRILLING COMPANY				ALNOTT RAMSAY NCT F		597	597
H 20000000	M 1.00	743	743	LIARCY MCBUFFINGTON	N 2.00	18025	4322
BOYLE HARTMAN				JA 1225537E	N 2.00		
J F 20000000	N 1.00	661	2442	JA 1225537E	N 1.00	1982	2161
TEXACO INCORPORATED				JA 1225537E	N 1.00	32080	160
J 42000000	M 2.00	157	157	MEXICAN OIL INCORPORATED			
NEW STATE NCT 2	N 1.00	10670	2442	JA 1225537E	M 2.00	1170	1170
J 301225537E	N 1.00		160	ALCON A FEDERAL	N 2.00	13724	4322
J 30 525537E	M 1.00			ALCON B FEDERAL	N 2.00	10861	4322
UNION TEXAS PETROLEUM CORPORATION				LA 1225537E	N 2.00		
STATE 47525537E	M .75	338	338	LA 1225537E	M 2.00		
PIPELINE TOTAL	33.00	49655	54877	SANTA FE ENERGY OPERATING PARTNERS, L.P.			
PHILLIPS PETROLEUM COMPANY				JA 1225537E	N 2.00	4765	4322
WILKINS PRODUCTION COMPANY				TEXACO INCORPORATED			
STATE 101625537E	M 1.00		160	G 23524537E	N 2.00	6616	4322
PIPELINE TOTAL	1.00			C 23524537E	N 2.00	2171	4322
TEXACO PRODUCING, INC.				TEXACO PRODUCING CO.			
EL PASO CORP.				A 1225537E	N 2.00	6346	4322
BOYLE HARTMAN				PIPELINE TOTAL	25.00	69922	40665
P. U. 30000000	N 1.50	17497	3663	POOL TOTAL	25.00	69922	40665
CALLAN OILSLAND				MCUMENT MCKEE ELLEN (PRORATED GAS)			
FOR 10 225537E	M 2.00	1021	1021	EL PASO NATURAL GAS COMPANY			
TEXACO PRODUCING CO.				APCO OIL & GAS COMPANY			
WILKINS C				J 1225537E	M 1.00	987	987
JA 1225537E	M 1.00	925	925	PIPELINE TOTAL	1.00	987	987
ZIA ENERGY INC.				GU F & EL PASO			
STATE 47525537E	N 1.00			CHEVRON U.S.A. INC			
PIPELINE TOTAL	3.50	925	4588	JA 1225537E	N 1.00	12738	13928
WILKINS PETROLEUM CORPORATION				PIPELINE TOTAL	1.00	12738	13928
NEW EXPLORATION INC.				NO THERN NATURAL GAS COMPANY			
STATE 47525537E	N 1.00			AMRADA BESS CORPORATION			
PIPELINE TOTAL	.00			J 26 620537E	M 1.00	422	422
POOL TOTAL	354.93	146151	284020	J 26 620537E	M 1.00	834	834
JUSTIS GLORIETA (PRORATED GAS)				PIPELINE TOTAL	2.00	1256	1256
EL PASO NATURAL GAS COMPANY				TRANSWESTERN PIPELINE COMPANY			
WILKINS PETROLEUM CORPORATION				TEXACO INCORPORATED			
STATE 47525537E	N 1.00	9312	4322	J 110 620537E	N 1.00	16239	13928
PIPELINE TOTAL	1.00			PIPELINE TOTAL	1.00	16239	13928
POOL TOTAL	5.00	31220	30099	POOL TOTAL	5.00	31220	30099

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7022
Order No. R-6483

APPLICATION OF TEXAS PACIFIC OIL
COMPANY, INC. FOR A NON-STANDARD
PRORATION UNIT AND SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 17, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of October, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texas Pacific Oil Company, Inc., seeks approval for the simultaneous dedication of a 320-acre non-standard gas proration unit comprising the N/2 of Section 9, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, to be dedicated to its Wells Nos. 40 and 63, located in Units A and C, respectively, of said Section 9.

(3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Jalmat Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid wells.

(4) That the applicant further seeks approval to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11, Township

22 South, Range 36 East, to a standard proration unit to be comprised of all of said Section 11.

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(6) That Division Order No. R-5493 which created the four proration units which are being abolished to create the two subject new units should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texas Pacific Oil Company, Inc., is hereby granted a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the N/2 of Section 9, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, to be simultaneously dedicated to its Wells Nos. 40 and 63, located in Units A and C, respectively, of said Section 9.

(2) That the applicant is further authorized to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11, Township 22 South, Range 36 East, NMPM, to a standard proration unit in said Jalmat Gas Pool to be comprised of all of said Section 11.

(3) That Division Order No. R-5493 is hereby superseded.

(4) That the proration balancing status of each of the aforesaid newly created proration units shall be the current combined status of the proration units which are hereby abolished in order to create the new units.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

22 South, Range 36 East, to a standard proration unit to be comprised of all of said Section 11.

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(6) That Division Order No. R-5493 which created the four proration units which are being abolished to create the two subject new units should be superseded.

IT IS THEREFORE ORDERED:

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(2) That the applicant is further authorized to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11, Township 22 South, Range 36 East, NMPM, to a standard proration unit in said Jalmat Gas Pool to be comprised of all of said Section 11.

(3) That Division Order No. R-5493 is hereby superseded.

(4) That the proration balancing status of each of the aforesaid newly created proration units shall be the current combined status of the proration units which are hereby abolished in order to create the new units.

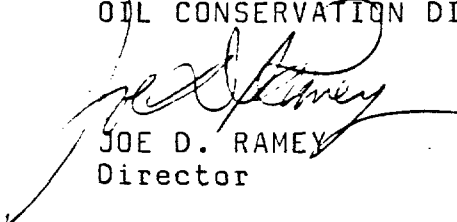
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

-3-

Case No. 7022
Order No. R-6483

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

S E A L

fd/