

## FAX TRANSMITTAL HEADER

FROM: ENERGY ADMINISTRATIVE SERVICES CO., P.O.  
Box 458, Roswell, New Mexico 88202

10951

TO: MIKE STOGNER

COMPANY: NMOC

CITY: SANTA FE, NM

FAX No. 827-5741

SENDER: George R. Smith

TELEPHONE NUMBER (505) 623-4940

FAX NUMBER (505) 623-5556

DATE: 3/8/94

REPLY BY: Phone FAX

COMMENTS:

HPD + PLAT

F.R. SEAGULL. FED. No 1

Form 3160-3  
(December 1990)

SUBMIT IN TRIPPLICATE\*  
(Other instructions on  
reverse side)

Form approved.  
Budget Bureau No. 1004-0136  
Expires: December 31, 1991

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

|  |                                     |   |
|--|-------------------------------------|---|
| 1a. TYPE OF WORK<br><b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>                            |                                     | 5. LEASE DESIGNATION AND SERIAL NO.<br>NM-57255                         |
| b. TYPE OF WELL<br>OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>       |                                     | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME                                    |
| c. NAME OF OPERATOR<br>Seagull Midcon Inc.   |                                     | 7. UNIT ASSIGNMENT NAME   |
| 8. ADDRESS AND TELEPHONE NO.<br>P.O. Box 15959 Amarillo, TX 79105-0959   |                                     | 8. FARMOR (LEASE NAME) WELL NO.<br>Seagull Federal                      |
| 9. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)<br>At surface 2428' FSL & 1154' FEL       |                                     | 9. AN WELL NO.<br>1   |
| At proposed prod. zone Same  |                                     | 10. FIELD AND POOL, OR WILDCAT<br>Wildcat                               |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*<br>30 NE of Hagerman, NM   |                                     | 11. SEC., T., R., M., OR B.L.<br>AND SURVEY OR AREA<br>Sec. 6-T13S-R29E |
| 15. DISTANCE FROM PROPOSED*<br>LOCATION TO NEAREST<br>PROPERTY OR LEASE LINE, FT.<br>(Also to nearest drlg. unit line, if any)<br>660' | 16. NO. OF ACRES IN LEASE<br>720.19 | 12. COUNTY OR PARISH<br>Chaves  |
| 18. DISTANCE FROM PROPOSED LOCATION*<br>TO NEAREST WELL, DRILLING, COMPLETED,<br>OR APPLIED FOR, ON THIS LEASE, FT.<br>N/A             | 19. PROPOSED DEPTH<br>9500'         | 13. STATE<br>New Mexico   |
| 21. ELEVATIONS (Show whether DP, RT, GR, etc.)<br>3674' GL   | 20. ROTARY OR CABLE TOOLS<br>Rotary | 22. APPROX. DATE WORK WILL START*<br>March 15, 1994                     |

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT         |
|--------------|----------------------|-----------------|---------------|----------------------------|
| 17 1/2"      | 13 3/8" J-55         | 48#             | 230-300'      | Circ. 315 sx "C" + 2% CaCl |
| 12 1/4"      | 8 5/8" J-55          | 24#             | 2,100'        | Circ. 1250 sx L + 250 Sx C |
| 7 7/8"       | 5 1/2" J-55          | 17#             | 9,500'        | 300 sx "H"                 |

Mud Program:

|   | Mud Wt.     | Vis.  | W/L Control      |
|---|-------------|-------|------------------|
| 0' - 300': Fresh water & native mud:      | 8.3-9.0 ppg | 34-36 | No W/L cont.     |
| 300' - 5300': Saturated brine:            | 10.0 ppg    | 32-34 | No W/L cont.     |
| 5300' - 8800': Salt water gel w/3-6% oil: | 9.1-9.6 ppg | 34-38 | No W/L cont.     |
| 8800' - 9500': Salt gel w/oil & starch:   | 9.1-9.7 ppg | 40-50 | W/L cont 8-15 cc |

BOP Program:

A 5000 psi wp 11" Schaffer Type LWS BOP, with a 5000 psi wp 11" GK Hydril, 5000 psi will be installed on the 13 3/8" casing. Casing and BOP will be tested before drilling out with the 12 1/4" bit. BOP will be used as a 3000 psi wp system and will be tested daily. See exhibit "E".

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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. Agent for:  
SIGNED: \_\_\_\_\_ TITLE: Seagull Midcon Inc. DATE: Feb. 17, 1994  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form 1-102  
Revised 1-1-89

# OIL CONSERVATION DIVISION

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

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

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

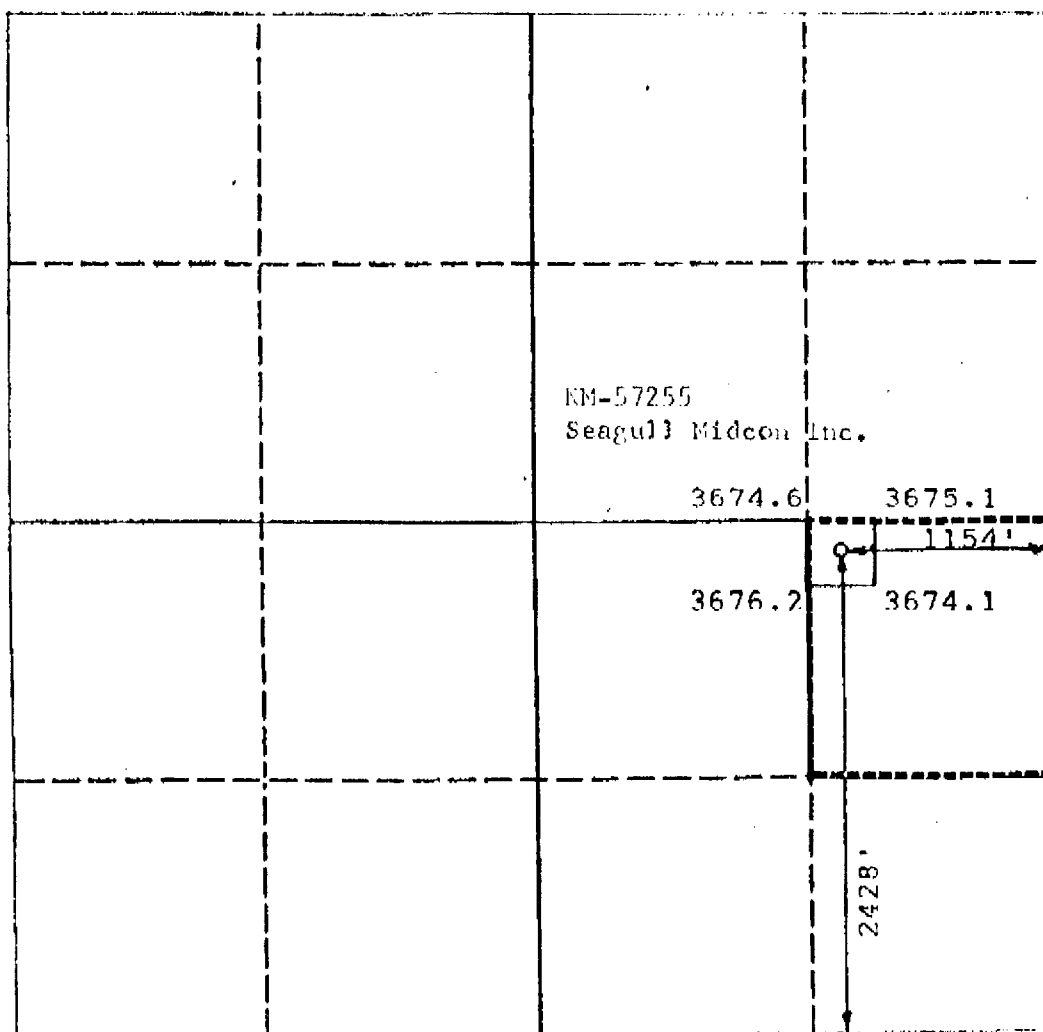
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

## WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

|  |  |                             |                                 |                                       |                      |
|--|--|-----------------------------|---------------------------------|---------------------------------------|----------------------|
| Operator<br><b>Seagull Midcon. Inc.</b>  |  |                             | Lease<br><b>Seagull Federal</b> |                                       | Well No.<br><b>1</b> |
| Unit Letter<br><b>I</b>  | Section<br><b>6</b>                    | Township<br><b>13 South</b> | Range<br><b>29 East</b>         | County<br><b>Chaves</b>               |                      |
| Actual Footage Location of Well:<br><b>2428</b> feet from the <b>South</b> line and <b>1154</b> feet from the <b>East</b> line |  |                             |                                 |                                       |                      |
| Ground level Elev.<br><b>3674</b>  | Producing Formation<br><b>Devonian</b> |                             | Pool<br><b>Wildcat</b>          | Dedicated Acreage:<br><b>40</b> Acres |                      |

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



### OPERATOR CERTIFICATION

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

Signature

Printed Name

George R. Smith

Position

Agent for:

Company

Seagull Midcon Inc.

Date

February 17, 1994

### SURVEYOR CERTIFICATION

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

January 28, 1994

Signature & Seal of  
Professional Surveyor

P.R.

Certificate No.

0112

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

03/08/94 17:03:34  
OGOMES -EMCX  
PAGE NO: 1

Sec : 06 Twp : 13S Rng : 29E Section Type : NORMAL

|                                       |                                 |                             |                             |
|---------------------------------------|---------------------------------|-----------------------------|-----------------------------|
| 4<br>37.15<br>CS<br><br>Federal owned | 3<br>40.04<br><br>Federal owned | 2<br>40.06<br><br>Fee owned | 1<br>40.09<br><br>Fee owned |
| 5<br>37.50<br>CS<br><br>Federal owned | F<br>40.00<br><br>Federal owned | G<br>40.00<br><br>Fee owned | H<br>40.00<br><br>Fee owned |

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

03/08/94 17:04:17  
OGOMES -EMCX  
PAGE NO: 2

Sec : 06 Twp : 13S Rng : 29E Section Type : NORMAL

|                                       |                                 |                             |                             |
|---------------------------------------|---------------------------------|-----------------------------|-----------------------------|
| 6<br>37.86<br>CS<br><br>Federal owned | K<br>40.00<br><br>Federal owned | J<br>40.00<br><br>Fee owned | I<br>40.00<br><br>Fee owned |
| 7<br>38.22<br>CS<br><br>Federal owned | N<br>40.00<br><br>Federal owned | O<br>40.00<br><br>Fee owned | P<br>40.00<br><br>Fee owned |

PF01 HELP  
PF07 BKWD

PF02  
PF08 FWD

PF03 EXIT  
PF09 PRINT

PF04 GoTo  
PF10 SDIV

PF05  
PF11

PF06  
PF12

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.  
LAWYERS

MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS  
MICHAEL H. FELDEWERT  
DAVID B. LAWRENZ  
TANYA M. TRUJILLO

JACK M. CAMPBELL  
OF COUNSEL

JEFFERSON PLACE  
SUITE 1 - 110 NORTH GUADALUPE  
POST OFFICE BOX 2208  
SANTA FE, NEW MEXICO 87504-2208  
TELEPHONE: (505) 988-4421  
TELECOPIER: (505) 983-6043

March 23, 1994

HAND-DELIVERED

MAR 23 1994

William J. LeMay, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
State Land Office Building  
Santa Fe, New Mexico 87503

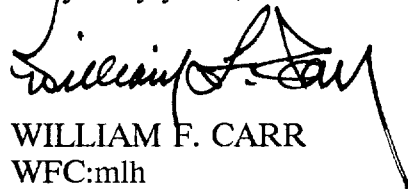
Re: Application of Seagull Midcon Inc., for an unorthodox oil well location,  
Chaves County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application which we are filing on behalf of Thornton Operating Corporation as successor operator to Seagull Midcon Inc., in the above-referenced case. This matter has been set for hearing before a Division Examiner on March 31, 1994.

Your attention to this request is appreciated.

Very truly yours,



WILLIAM F. CARR

WFC:mlh

Enclosures

cc: Mr. Robert L. Thornton (w/enclosures)  
Thornton Operating Corporation  
306 W. Wall Street, Suite 1110  
Midland, TX 79702

Note to file

Case No. 10951

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Talked w/ Robert Thorton  
who now operates the well  
and will submit written confirmation  
thru Bill Carr ASAP

MS

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

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



CASE NO. 10951

APPLICATION OF SEAGULL MIDCON INC.  
FOR AN UNORTHODOX OIL WELL LOCATION,  
CHAVES COUNTY, NEW MEXICO.

MAR 25 1994

**PRE-HEARING STATEMENT**

This Prehearing Statement is submitted by Campbell, Carr, Berge & Sheridan, P.A.,  
as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Thornton Operating Corporation\_\_\_\_  
Successor Operator\_\_\_\_\_  
to Seagull Midcon Inc.\_\_\_\_\_  
Post Office Box 1110\_\_\_\_\_  
Midland, TX 79702\_\_\_\_\_  
Attn: Robert L. Thornton\_\_\_\_\_  
(915) 684-4275\_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

William F. Carr, Esq.\_\_\_\_\_  
Campbell, Carr, Berge & Sheridan, P.A.  
Post Office Box 2208\_\_\_\_\_  
Santa Fe, New Mexico 87504\_\_\_\_\_  
(505) 988-4421\_\_\_\_\_

**OPPOSITION OR OTHER PARTY**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
name, address, phone and  
contact person

**ATTORNEY**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**STATEMENT OF CASE**

**APPLICANT**

(Please make a concise statement of what is being sought with this application and the reasons therefore.)

Thornton Operating Corporation, successor operator to Seagull Midcon Inc., applicant in the above-captioned cause, seeks approval of an unorthodox oil well location to be drilled 2428 feet from the South line and 1154 feet from the East line (Unit D) of Section 6, Township 13 South, Range 29 East, to test the Devonian formation. The NE/4 SE/4 of said Section 6 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

**OPPOSITION OR OTHER PARTY**

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

**PROPOSED EVIDENCE**

APPLICANT

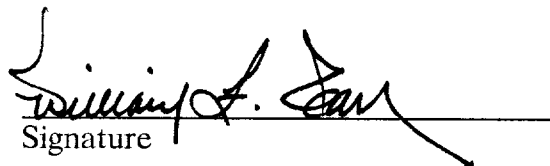
| WITNESSES<br>(Name and expertise)   | EST. TIME | EXHIBITS        |
|-------------------------------------|-----------|-----------------|
| Robert Thornton, Petroleum Engineer | 15 Min.   | Approximately 5 |

OPPOSITION

| WITNESSES<br>(Name and expertise) | EST. TIME | EXHIBITS |
|-----------------------------------|-----------|----------|
|-----------------------------------|-----------|----------|

**PROCEDURAL MATTERS**

(Please identify any procedural matters which need to be resolved prior to hearing)

  
Signature

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

MAR 23 1994

APPLICATION OF SEAGULL MIDCON INC.  
FOR AN UNORTHODOX OIL WELL LOCATION,  
CHAVES COUNTY, NEW MEXICO.

CASE NO. 10951

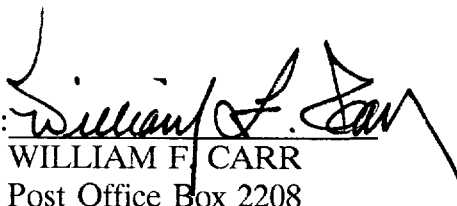
ENTRY OF APPEARANCE

---

COMES NOW CAMPBELL, CARR, BERGE & SHERIDAN, P.A., and hereby  
enters its appearance in the above referenced case on behalf of Thornton Operating  
Corporation, successor operator to Seagull Midcon Inc.

Respectfully submitted,

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.

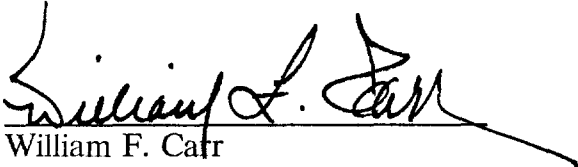
By:   
WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR THORNTON  
OPERATING CORPORATION

## CERTIFICATE OF SERVICE

I hereby certify that on this 22<sup>nd</sup> day of March, 1994, I have caused to be mailed a copy of our Entry of Appearance in the above-captioned case to:

George R. Smith  
Energy Administrative Services, Inc.  
108 E. 10th Street  
Roswell, New Mexico 88201

  
William F. Carr



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

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

April 27, 1994

RE: Case No. 10951  
Order No. R-10105

Mr. William F. Carr  
Campbell, Carr, Berge & Sheridan  
Attorneys at Law  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208

Dear Mr. Carr:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

A handwritten signature in cursive script that reads "Florene Davidson".

Florene Davidson  
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD   x    
Artesia OCD   x    
Aztec OCD