

National Cooperative Refinery Association

415 W. Wall, Suite 2215 • MIDLAND, TEXAS 79701 • 915/683-2734

District Production Office

July 22, 1988

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division P. O. Box 1980 Hobbs, New Mexico 88241-1980

Attention: Elevyn Downs

Re: Dedicated Acreage Lease No. NM-0631 Federal 11-20-34 No. 2 Lea County, New Mexico

Dear Evelyn:

The Federal 11-20-34 No. 2, 2080' FWL and 760' FSL of Section 11, T-20-S R-34-E was Shut-In July 6, 1988 and it's acreage dedicated to Federal 11-20-34 No. 3, a newly drilled well completed 7-6-88.

Attached is a copy of the C-102 showing the location of the No. 2 well. This well will be abandoned at a later date.

If you need farther information, please contact me at 915/683-2734.

Very truly yours,

Carrie A. Baze Production Clerk

#2 II July 6, 188 - Duly Lec. 1 more dedicated to #3. L.

MATIONAL COOPERATIVE REFINERY ASSOCIATION FEDERAL 11-20-34 #3 1890' FSL X 660' FWL, Section 11, T20S, R34E Lea County, New Mexico

SURFACE USE PLAN

- 1. Existing roads and existing wells are shown on the attached map.
- 2. The proposed location is just off an existing road and no road construction will be required.
- 3. See No. 1.
- 4. The anticipated production facilities will consist of a flowline that will leave the wellpad as shown on the attached plat and tie into an existing flowline. This flowline runs to an existing battery that will be expanded if necessary to handle the anticipated hydrocarbon production.
- 5. Water (both fresh and brine) will be trucked from the closest available source which is believed to be in the northeast quarter of the southwest quarter of Section 13, T2OS, R34E.
- 6. Materials for the construction of the location will consist of caliche which will be hauled from a Federally owned pit located in the southeast quarter of the northwest quarter of Section 25, T19S, R34E, Lea County, New Mexico.
- 7. All waste materials will be buried on location. Drill cuttings will be allowed to dry then spread evenly in the reserve pit and buried.
- 8. No camp or airstrip will be constructed for the drilling of this well.
- 9. The well site layout is shown on the attached plat.
- 10. Reclamation of the well site will be accomplished according to the surface owner's specifications.
- 11. The surface of the proposed well location is privately owned by: Mr. Mark Smith c/o Kenneth Smith, Box 764, Carlsbad, NM 88221, phone (505) 887-3374.
- 12. The proposed location is currently being drained by a Read & Stevens well located 680 feet from NCRA's lease line. That well is called the North Lea Federal No. 1Y.
 - NCRA's federal 11-20-34 #2 well will be shut in upon the successful completion of the proposed well to honor the current spacing rules in the Lea Penn (Gas) Pool.

Attached is a copy of the Surface Agreement between NCRA and the surface owner.

WRS COMPLETION REPORT REISSUES PI# 30-T-0006 07/31/89 SEC 11 TWP 20S RGE 34E PI# 30-T-0006 07/31/89 30-025-30424-0000 PAGE 1 NMEX LEA * 1890FSL 660FWL SEC NW SW STATE FOOTAGE NATIONAL COOP REFINERY OPERATOR 3 FEDERAL "11-20-34" WELL NO. 2653KB 2637CD 3653KB 3637GR LEAS THE LEAST THE LEA API 30-025-30424-0000 04/07/1988 07/06/1988 ROTARY GAS SPUD DATE COMP DATE TYPE TOO: 13300 PNNSYLVN MORANCO 2 RIG SUB 15 PROJ. DEPTH PROJ. FORM CONTRACTOR DTD 13348 PB 13254 FM/TD MORROW DRILLERS T.D. LOC T.D. PLUG BACK TO OLD T.D. FORM T.D. LOCATION DESCRIPTION 12 MI NE HALFWAY, NM CASING/LINER DATA CSG 13 3/8 @ 876 W/ 760 SACKS CSG 9 5/8 @ 5158 W/ 2075 SACKS CSG 7 @ 5171 W/ 750 SACKS CSG 4 1/2 @13339 W/ 1590 SACKS TUBING DATA TBG 2 3/8 AT 12856 INITIAL POTENTIAL IPF 33BCPD 1844 MCFD 28/64CK 24HRS MORROW PERF W/ 4/FT 12964-13235 GROSS PERF 12964-12970 13001-13014 13105-13106 13201-13206 PERF 13230-13235 ACID 13105-13235 1000GALS 7 1/2% NEFE TP 3600 /RESERVOIR FIELD /PENNSYLVANIAN TYPE FORMATION LTH TOP DEPTH/SUB BSE DEPTH/SUB 1602 RUSTLER LOG 3695 LOG YATES CONTINUED IC# 300257001388 Petroleum Information PI-WRS-GET Copyrighted 1989

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REISSUES
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PI# 30-T-0006 07/31/89 SEC 11 TWP 20S RGE 34E
30-025-30424-0000 PAGE
                                                                    PAGE 2
 NATIONAL COOP REFINERY
                                                                            DG
                        FEDERAL "11-20-34"
 TYPE FORMATION LTH TOP DEPTH/SUB BSE DEPTH/SUB
         MID-DELA
                              5572 -1919
8218 -4565
 LOG
         BONE SPG
BONE SP1
BONE SP2
BONE SP3
 LOG
                                      -4565
                          9460 -5807
9966 -6313
 LOG
 LOG
 LOG
                            10640 -6987
 LOG
         WOLFCAMP
                           10968 -7315
 LOG
       STRAWN 12024 -8371
ATOKA 12380 -8727
ATOKA LS 12498 -8845
MORROW 12786 -9133
 LOG
 LOG
 LOG
 SUBSEA MEASUREMENTS FROM KB
                      FORMATION TEST DATA
DST 1 9441- 9553 BONE SPG S

OVERLAPS BONE SP1

REC 30.0 FT OCW 210.0 FT WTR

IFP 107 OP 1 HR 30 MIN - FSIP 112 IHP 4129 FHP 4172

OP 1 HR 30 MIN - 3 1/2 OZ PRES
                   9832- 9882 BONE SP1
     Ts in ihiom
                                                                         S
GAS
                       OM
OIL 2.6 BBL WTR
IFP 223 OP 1 HR 30 MIN
FSIP 4436 IHP 4369 FHP 4302
        3.0 BBL OIL
REC
OP 1 HR 30 MIN, 24 PSI
SI 3 HRS 45 MIN
DST 3 12875-13
REC 13.0 BBL OIL
                12875-13039 MORROW
                                                                         S
                       ĬFP 1052
                                    FFP 1136
ISIP 2141
                       FSIP 2120 IHP
FINAL 420
                                                       6535 FHP 6535
SPL CHAM PRESS FINAL FLWG 2.7 MCFGPD ON 1/2 INCH CHK
           DRILLING PROGRESS DETAILS
                 NATIONAL COOP REFINERY 415 W WALL STE 2215
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NATIONAL COOP REFINERY
TEDERAL "11-20-34"

DRILLING PROGRESS DETAILS

MIDLAND, TX 79701
915-683-2734

01/11 LOC/1988/
04/04 MIRT
04/25 DRLG 7750
05/09 DRLG 9100
05/16 DRLG BELOW 9100
05/16 DRLG 12343
06/16 DRLG 12343
06/16 DRLG 12343
06/24 13348 TD, WOCT
07/07 13348 TD, WOCT
07/07 13348 TD, WOCT
07/13 13348 TD, WOCT
07/22 TD REACHED 06/16/88 RIG REL 06/16/88
08/31 13348 TD, PB 13254
COMP 7/6/88, IPF 18444 MCFG, 33 BCPD, 28/64
CK, FTP 3600
PROD ZONE - PENNSYLVANIAN 12964-13235
NO CORES, THREE DSTS RPTD
07/25 REISSUED TO CORRECT NO CORES STMT & ADD
TBG, TRTMNTS, LOG TOPS & DSTS
REPLACEMENT FOR CT ISSUED 9/2/88
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