

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS-Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☐ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

C. WADE HOWARD
Print or Type Name

C. Wade Howard
Signature

ENGINEER ASSISTANT
Title

2/19/97
Date

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

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WILLIAM F. CARR
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SUITE - 110 NORTH GUADALUPE
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SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
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March 4, 1997

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: *Application of Texaco Exploration and Production Inc., for Administrative Approval of an Unorthodox Well Location for its S. J. Sarkeys Well No. 7, 330 feet from the North line and 1050 feet from the West line of Section 26, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.*

Dear Mr. LeMay:

Texaco Exploration and Production Inc. ("Texaco"), hereby seeks administrative approval pursuant to the provisions of Division Rule 104 F (2) of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division") revised by Division Order No. R-10533, issued by the New Mexico Oil Conservation Commission in Case 11,351 on January 18, 1996, of an unorthodox well location for its S. J. Sarkeys Well No. 7 to be drilled at an unorthodox well location 330 feet from the North line and 1050 feet from the West line Section 26, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

This location in the Drinkard formation, Drinkard Pool, and Abo formation, Wantz-Abo Pool, is unorthodox because these pools are governed by the General Rules and Regulations of the Division that provide for wells to be located no closer than 330 feet to the nearest boundary of the dedicated spacing or proration unit.

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
March 4, 1997
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This well must be drilled at this location due to topographic conditions. Although the well was originally proposed at a location 990 feet from the West line, it was within 53 feet of a pipeline which prevented staking it at a standard location. The well was moved 60 feet to the east to be safe distance from this pipeline all as shown on Division Form C-102 attached hereto as Exhibit A.

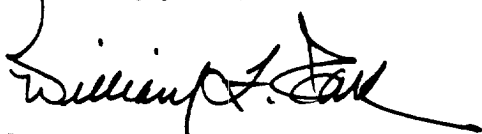
Attached hereto as Exhibit B is a bubble map which shows that the productive reservoir develops to the east and accordingly the well could not be moved to the west to avoid the pipeline.

There are no affected parties to whom notice of this application should be given.

Also enclosed is a proposed administrative order.

Your attention to this application is appreciated.

Very truly yours,



WILLIAM F. CARR

Attorney for Texaco Exploration and Production Inc.

Enclosures

WFC:mlh

cc: Mr. Ronald W. Lanning
Texaco Exploration and Production Inc.
500 North Loraine
Midland, TX 79701

Bureau of Land Management
1717 W. Second Street
Roswell, New Mexico 88201-2019

Oil Conservation Division
District I
Box 1980
Hobbs, New Mexico 88240

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

DISTRICT IV
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease-4 copies

Fee Lease-3 copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

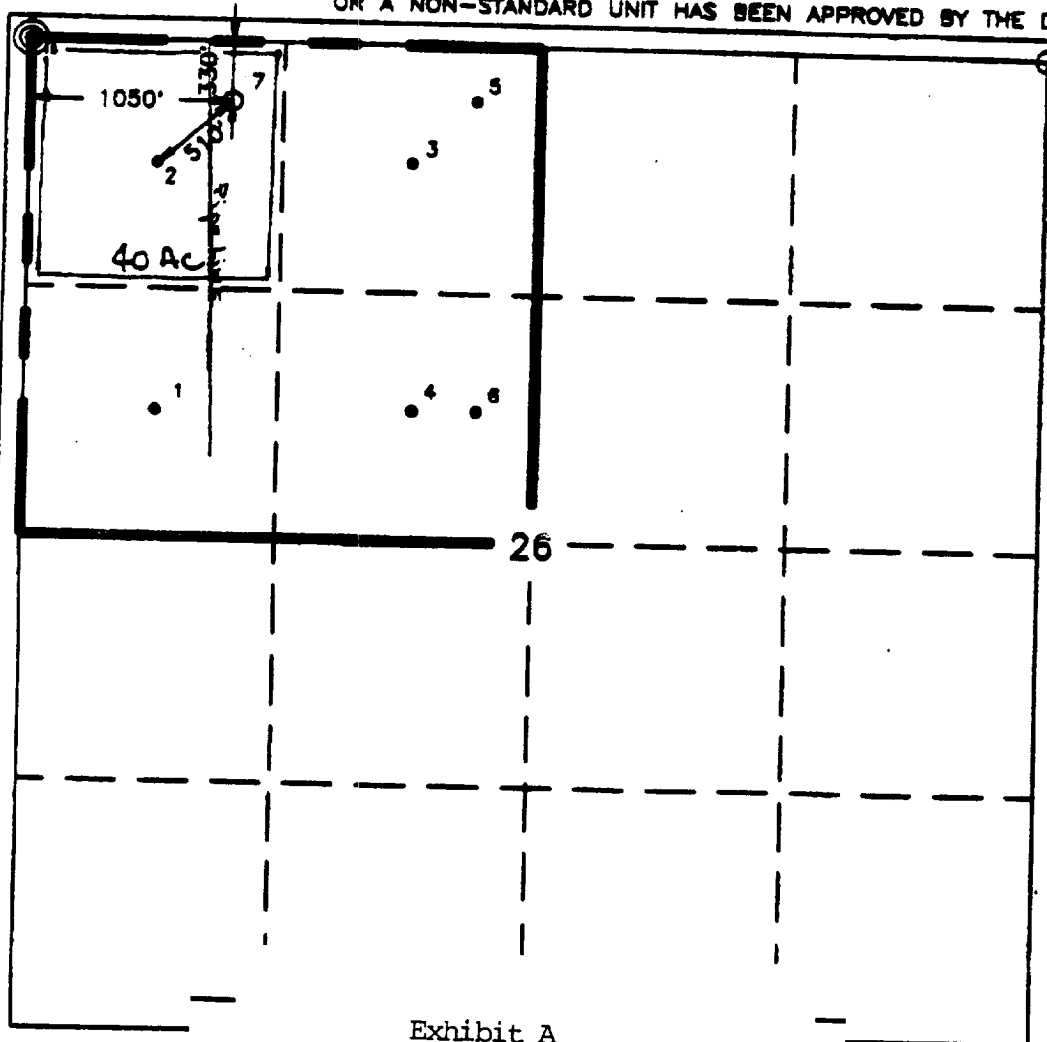
☐ AMENDED REPORT

1 API Number		2 Pool Code		3 Pool Name	
Property Code 11076		Property Name S. J. Sarkaya		Well Number 7	
4 O&G No. 22351		Operator Name TEXACO EXPLORATION & PRODUCTION, INC.		5 Elevation 3393'	

6 Surface Location									
UL or lot no. D	Section 26	Township 21-S	Range 37-E	Lot 1st	Feet from the 330'	North/South line North	Feet from the 1050'	East/West line West	County Lea

7 Bottom Hole Location if Different From Surface									
UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
8 Dedicated Acre 40		9 Joint or Infill		10 Consolidation Code		11 Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION.



12 OPERATOR CERTIFICATION

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

Signature

C. Wade Howard

Printed Name

C. Wade Howard

Position

Engineer's Assistant

Company

Texaco Expl. & Prod. Inc.

Date

February 18, 1997

13 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

February 8, 1997

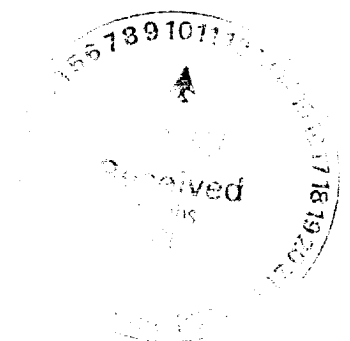
Signature & Seal of
Professional Surveyor

John S. Piper

Certificate No.

7254 John S. Piper

Sheet



R-37-E

R-38-E

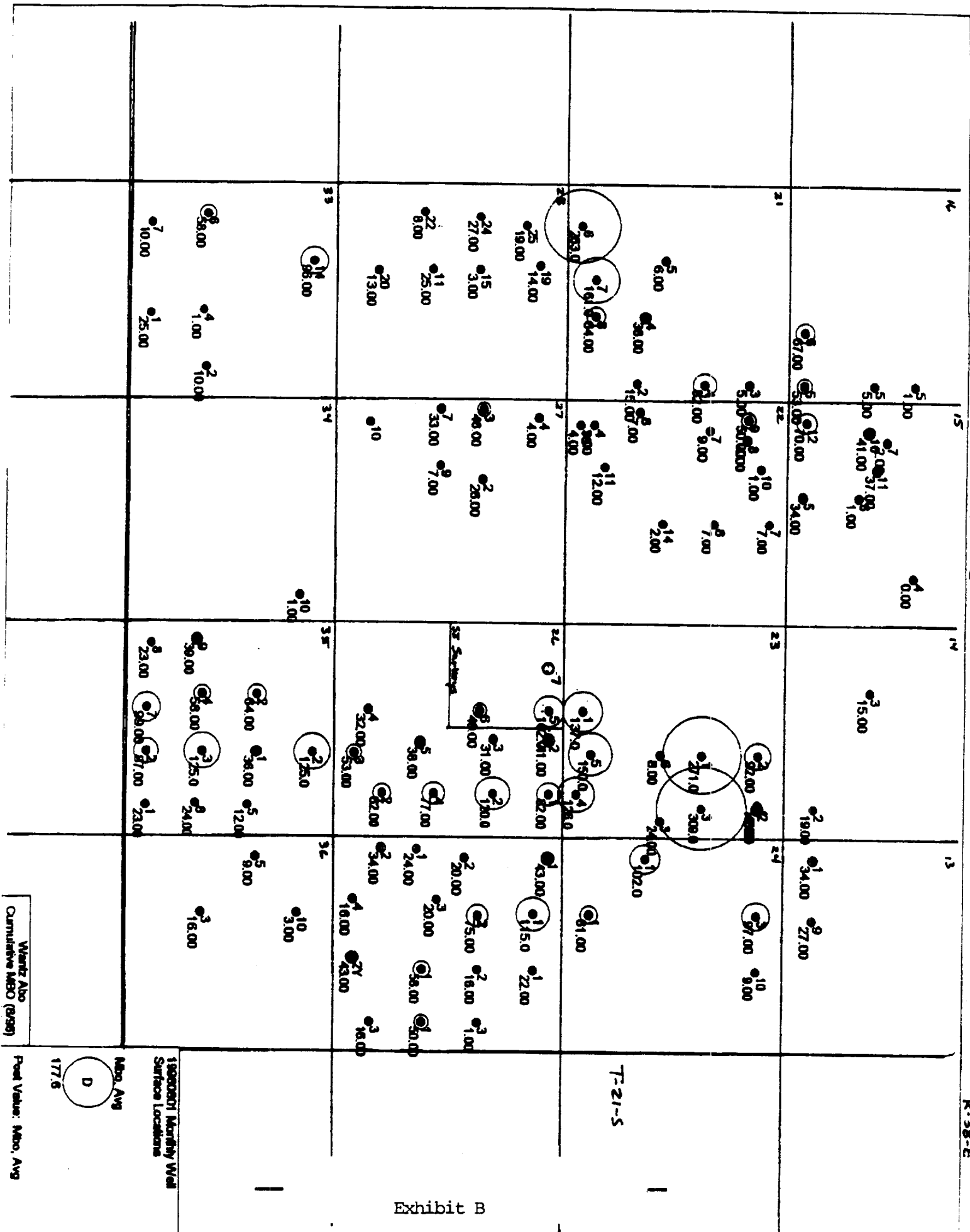
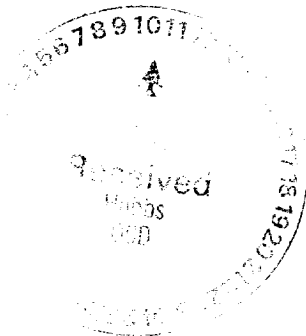


Exhibit B



(DATE) _____

DRAFT ADMINISTRATIVE ORDER

Texaco Exploration and Production Inc.
Post Office Box 3109
Midland, Texas 79702

Attention: C. Wade Howard

Administrative Order NSL-_____

Dear Mr. Howard:

Reference is made to your application dated February 19, 1997 for an unorthodox well location for the Wantz-Abo Pool and Drinkard Pool for the proposed S. J. Sarkeys Well No. 7. Said well to be drilled 330 feet from the North line and 1050 feet from the West line (Unit D) of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

The existing standard 40-acre oil spacing and proration unit in the Wantz-Abo Pool and the Drinkard Pool comprising the NW/4 NW/4 of said Section 26, which is presently dedicated to the S. J. Sarkeys Well No. 7 (API No. _____), located at a standard oil well location 660 feet from the North and West line (Unit D) of said Section 26 is to be dedicated to said well.

By authority granted me under the provisions of Rule 104.F(2) of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the New Mexico Oil Conservation Commission in Case 11,351 on January 18, 1996, the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay
Director

cc: Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad

