

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
P.O. Box 1980
Hobbs, NM 88241

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Discovery Operating, Inc.

3. Address and Telephone No

(915) 683-5203
800 N. Marienfeld, Suite 100, Midland, TX 79701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FSL & 1980' FEL
Sec. 33, T-25-S, R-32-E

5. Lease Designation and Serial No.

NM-0359295-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Jennings Federal #1

9. API Well No.

30-025-08244

10. Field and Pool, or Exploratory Area

Jennings Delaware

11. County or Parish, State

Lea County, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other off lease storage
& surface commingle
- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Discovery Operating, Inc. formally requests approval for off lease storage and measurement on the Jennings #1 and to combine production from the Jennings Federal #1 and the Union Federal #2 in a tank battery located on the Union Federal Lease.

It is proposed to pipe the wellhead fluids from the Jennings Federal #1 to the heater treater on the Union Federal #2. Attached to this request is a diagram identifying the equipment which will be used.

Both the Union Federal #2 and the Jennings Federal #1 produce from the same formation. However, neither well produces sufficient amounts to justify separate batteries. The estimated production of the Union Federal #2 is 2.5 BOPD and 0 MCFPD. The Jennings Federal #1 makes approximately 5 BOPD and 17 MCFPD. The allocation of production to each well will be based off of periodic production tests of both wells.

The working interest owners and the revenue interest owners are the same for both wells. Since the Federal royalty interests are the same for both wells, there will not be a reduction in any royalties.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Signed

Alexis C. Swoboda

Title Vice President, Operations

Date

1/25/99

(This space for Federal or State office use)

Approved by

(ORIG. SGD.) ALEXIS C. SWOBODA

Title

PETROLEUM ENGINEER

Date

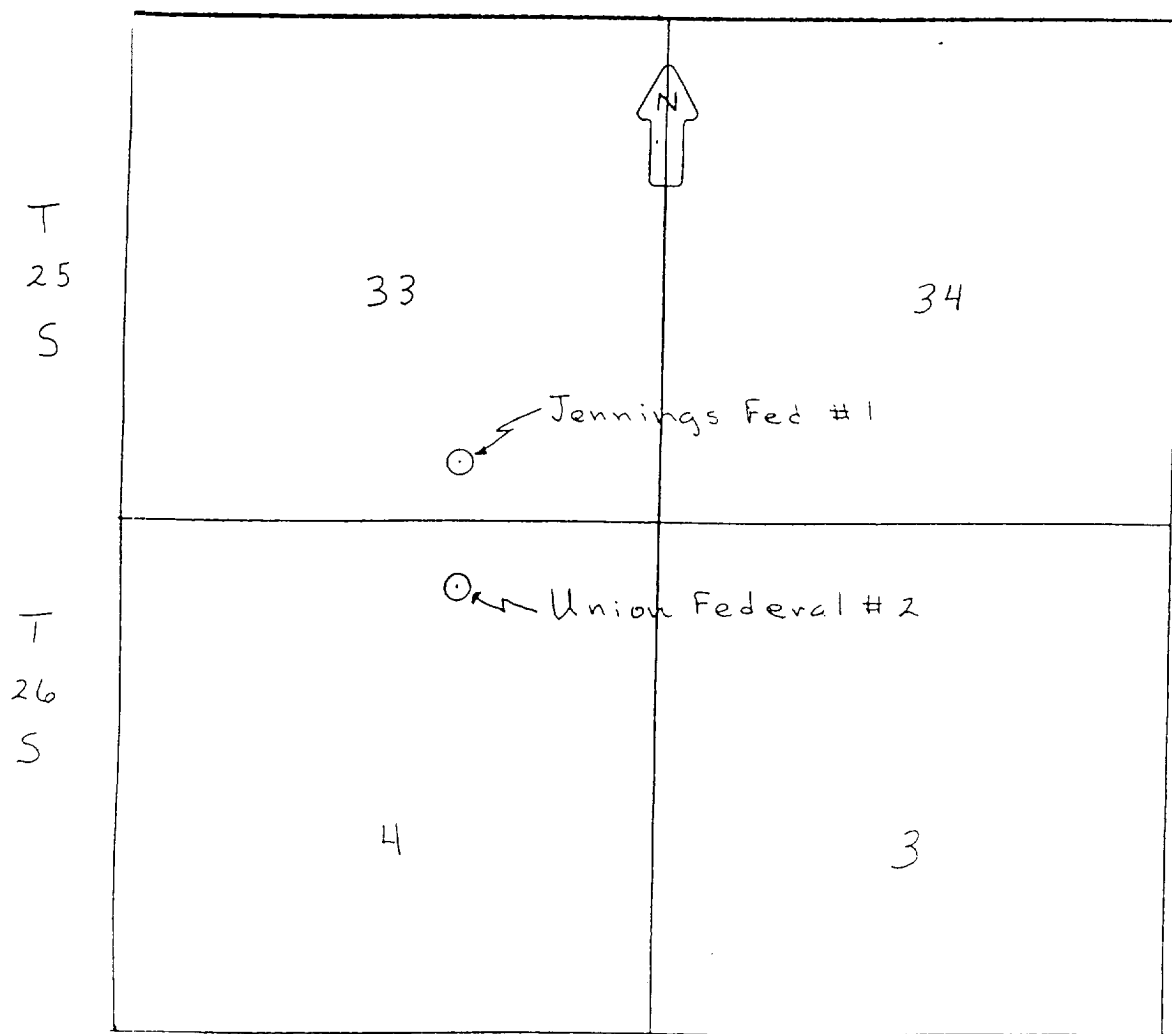
FEB 02 1999

Conditions of approval, if any

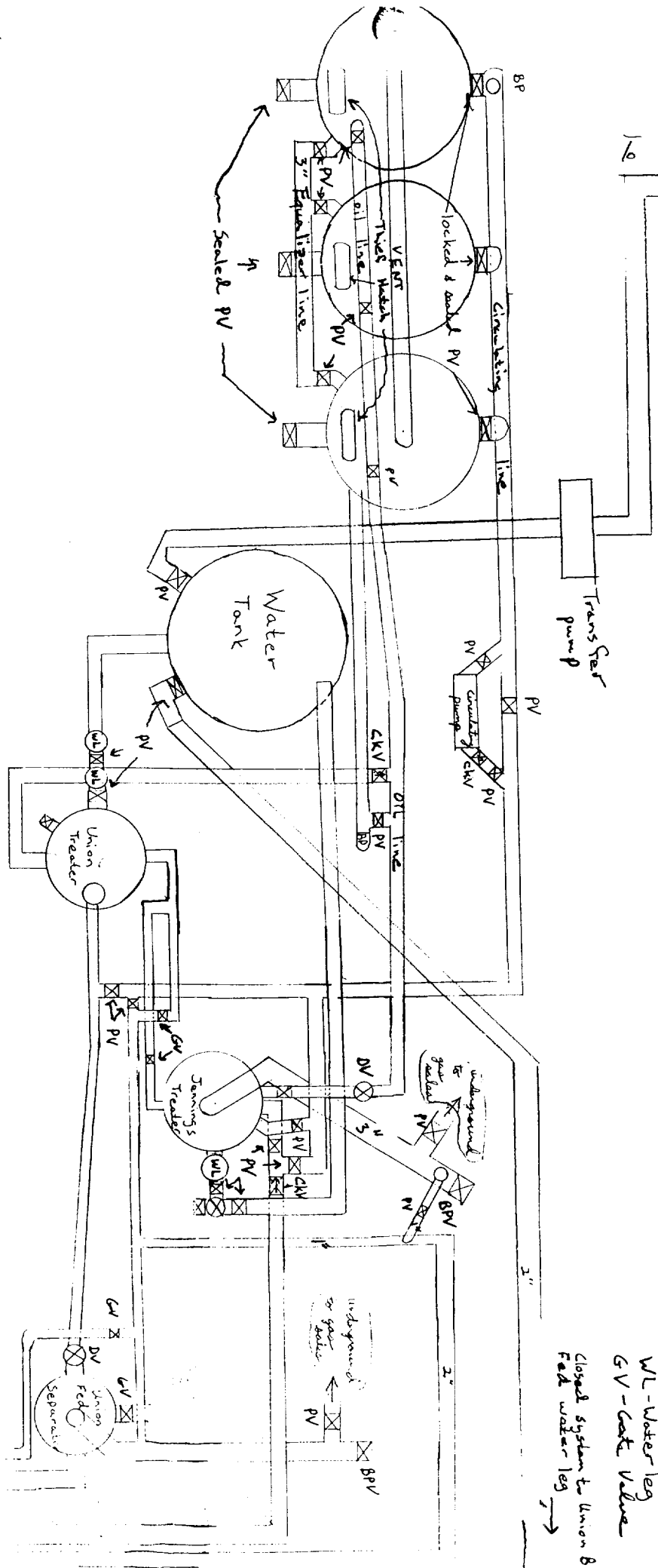
Field: Jennings Delaware
Operator: Discovery Operating, Inc.
Lease: Jennings Federal
County: Lea State: NM
No. of Wells: 1 Initial Prod: _____
NM-0359295-A

Field: Jennings Delaware
Operator: Discovery Operating, Inc.
Lease: Union Federal
County: Lea State: NM
No. of Wells: 1 Initial Prod: _____
NM-0392082-A

Scale: 1" = 2000'



SWD →



- BP - Ball Plug
- BPV - Back Pressure Valve
- CKV - Check Valve
- DV - Dump Valve
- PV - Plug Valve
- WL - Water leg
- GV - Gate Valve

Closed system to Union 8
Field water leg →

Jennings Delaware
Field
Operator
Discovery Operating, Inc.
Union Federal
Lea
County
No. of Wells 1 Initial Prod.
NM-0392082-A

Jennings Delaware
Field
Operator
Discovery Operating, Inc.
Jennings Federal
Lea
County
No. of Wells 1 Initial Prod.
NM-0359295-A

closed system for
gas motor, not used
closed system to
Jennings field
Wellhead
old gas line for motor