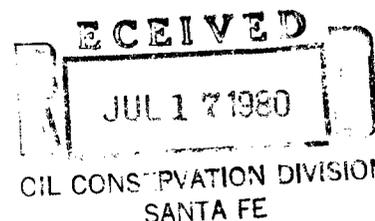


403 Wall Towers West
Midland, Texas 79701
Telephone 915-682-3711

Billy H. Morrison
District Manager

INTERNORTH
Exploration & Production Division



July 14, 1980

Director
Oil Conservation Division
New Mexico Energy and Minerals Department
P. O. Box 2088
Santa Fe, New Mexico 87501

*NSL-1239
Rule 104 F
Willkamp &
Perm'n formations
Aug 6, 1980*

Re: Application for Unorthodox Well Location

Gentlemen:

InterNorth, Inc. respectfully requests administrative approval of an unorthodox location, because of topographic conditions, for well No. 1 Azotea Mesa Federal to be located 1570 feet from the north line and 480 feet from the east line of Section 6, T.23 S., R.24 E., Eddy County, New Mexico. The well is a proposed 10,500' Morrow test on Federal oil and gas lease NM-36610 with the east half of Section 6 to be dedicated to the well.

Exhibit "A", attached, is a portion of a topographic map (Bandanna Point Quadrangle) showing topography in the area of the proposed well together with existing and proposed roads. This is an area of steep hills and deep draws or canyons with well locations and access roads best located in the draws or on the ridges. The surface formation is Seven Rivers and there appears to be considerable solid rock in the area.

Exhibit "B" is a portion of a topographic map showing topography in more detail. This plat shows a regular location staked 1980 feet from the north line and 660 feet from the east line of Section 6, and also, the proposed location, which is unorthodox, staked 1570 feet from the north line and 480 feet from the east line.

The regular location is in the bottom of a deep gully with a steep, 150-foot high hill to the south and a smaller, steep hill to the north. A well site here is not practicable because it would require filling in the gully and blocking the small draw.

The proposed drill site, selected as most practicable, is on the north side of the small hill and as near to the floor of Robinia

Director
Oil Conservation Division
July 14, 1980

-2-

Draw as possible. To build a well location further south and higher on the side of the hill would necessitate a 20-foot cut and fill, at least, and a correspondingly steep access road up to the well site. At the proposed location, average cut and fill will be reduced, and maximum cut necessary should be less than 10 feet. The well site will be constructed as small as practicable and the rig layout will be rotated to V-door to the northwest in order to minimize the cut and fill required. The Bureau of Land Management has inspected the proposed well site and found it acceptable.

Exhibit "C" is a plat showing the proposed well site, the well spacing unit, and offsetting operators. All operators offsetting the spacing unit have been notified by Certified Mail of this application and have been asked to furnish waivers to the Division.

There are no producing oil or gas wells in the area shown in Exhibit "C".

Your favorable consideration of this application for an unorthodox location for well No. 1 Azotea Mesa Federal will be appreciated.

Yours very truly,

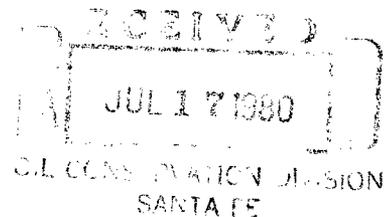
INTERNORTH, INC.

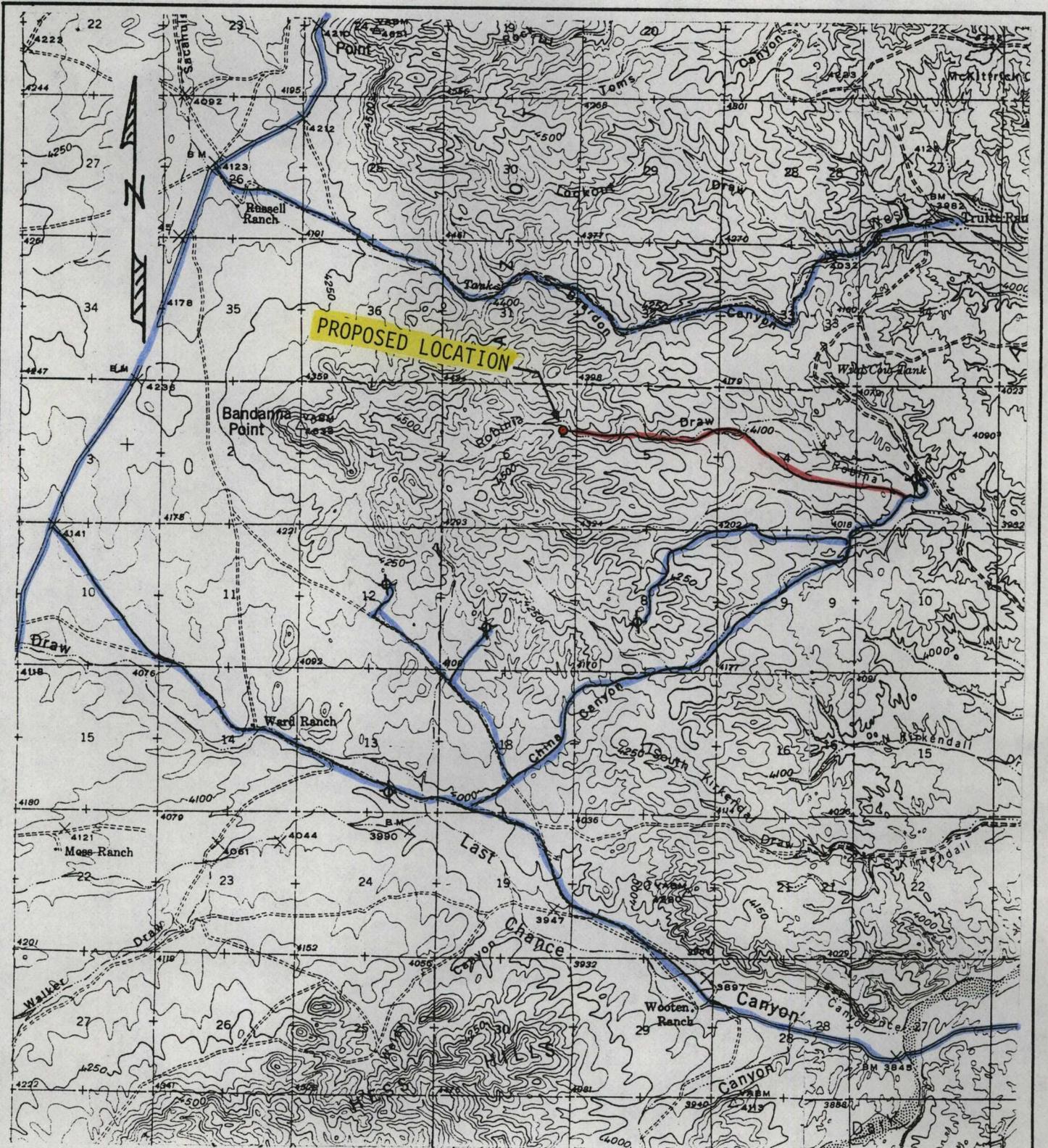


E. H. Foret
District Engineer

EHF/sj

Attachments

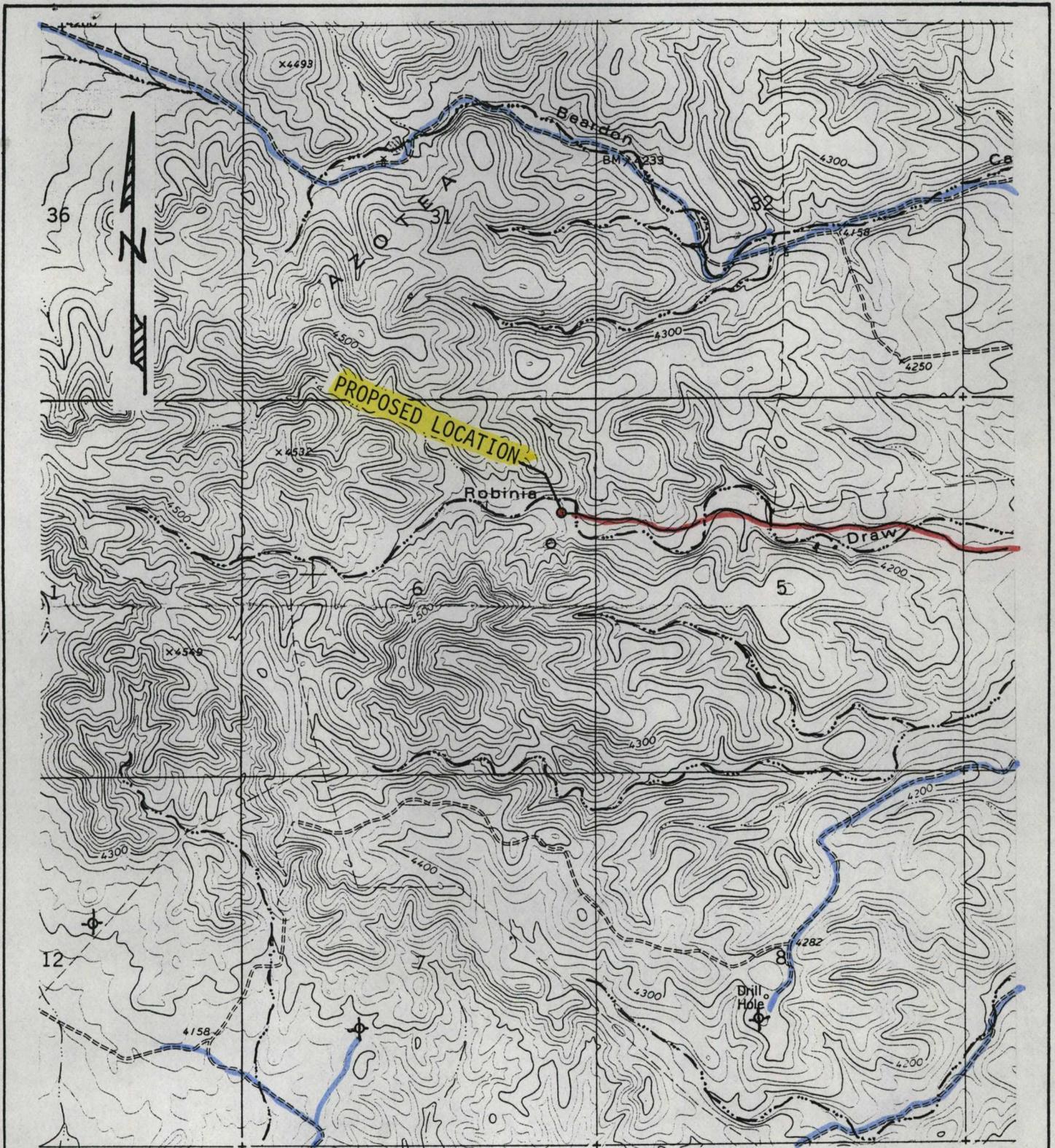




- Existing Road
- Proposed New Road

EXHIBIT "A"

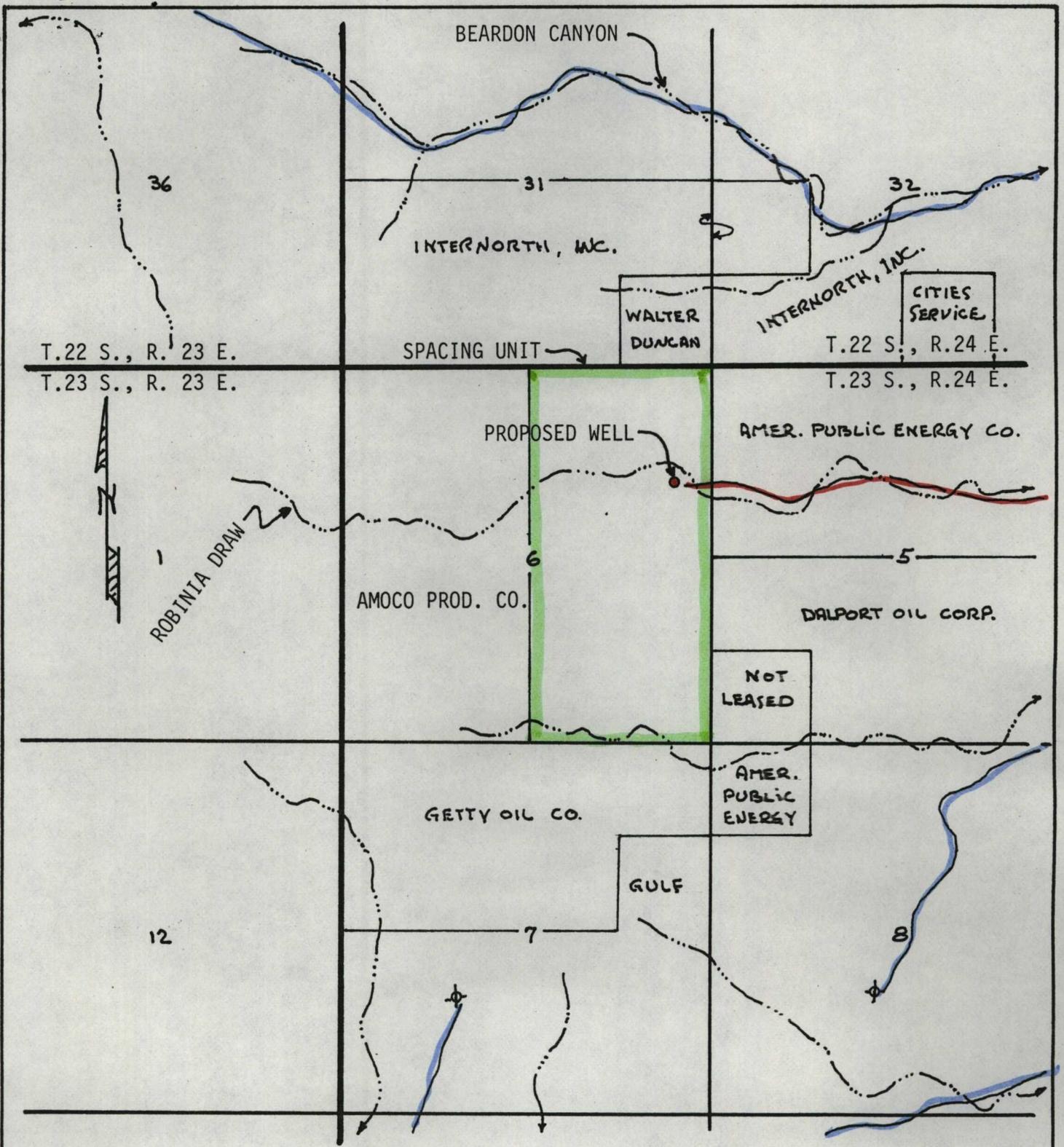
SHOWING TOPOGRAPHY IN AREA OF
INTERNORTH, INC.
WELL NO.1 AZOTEA MESA FEDERAL
1570'FNL & 480'FEL SEC.6, T.23 S., R.24 E.
EDDY COUNTY, NEW MEXICO
CONTOUR INTERVAL: 50' SCALE: 1" = 1 MI.
DATUM: SEA LEVEL DATE: 7-7-80



- Proposed Location staked
1570'FNL & 480'FEL Sec.6
- Regular Location staked
1980'FNL & 660'FEL Sec.6
- Watercourse in Draw or Canyon
- Existing Road
- Proposed Access Road

EXHIBIT "B"

SHOWING TOPOGRAPHY IN AREA OF
INTERNORTH, INC.
WELL NO.1 AZOTEA MESA FEDERAL
1570'FNL & 480'FEL SEC.6, T.23 S., R.24 E.
EDDY COUNTY, NEW MEXICO
CONTOUR INTERVAL: 20' SCALE: 1" = 2000'
DATUM: SEA LEVEL DATE: 7-7-80



- Existing Road
- Proposed Access Road
- - - - Watercourse in Draw or Canyon

EXHIBIT "C"

INTERNORTH, INC.
 WELL NO.1 AZOTEA MESA FEDERAL
 1570'FNL & 480'FEL SEC.6, T.23 S., R.24 E.
 EDDY COUNTY, N.M. SCALE: 1" = 2000'

LIST OF OPERATORS

OFFSETTING

EAST HALF SEC. 6, T.23 S., R.24 E.

EDDY COUNTY, NEW MEXICO

American Public Energy Company
Two North Park East, Suite 800
Dallas, Texas 75231
Attn: Mr. David L. Cherry

Dalport Oil Corporation
3471 First National Bank Building
Dallas, Texas 75202
Attn: Mr. W. L. Todd, Jr.

Walter Duncan Oil Properties
Suite 1204, 100 Park Ave. Bldg.
Oklahoma City, Oklahoma 73102
Attn : Mr. Nicholas V. Duncan

Amoco Production Company
500 Jefferson
P. O. Box 3092
Houston, Texas 77001
Attn: Mr. Joe Durkee

Getty Oil Company
P. O. Box 1231
Midland, Texas 79702
Attn: Mr. B. W. Koch, District Manager

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.

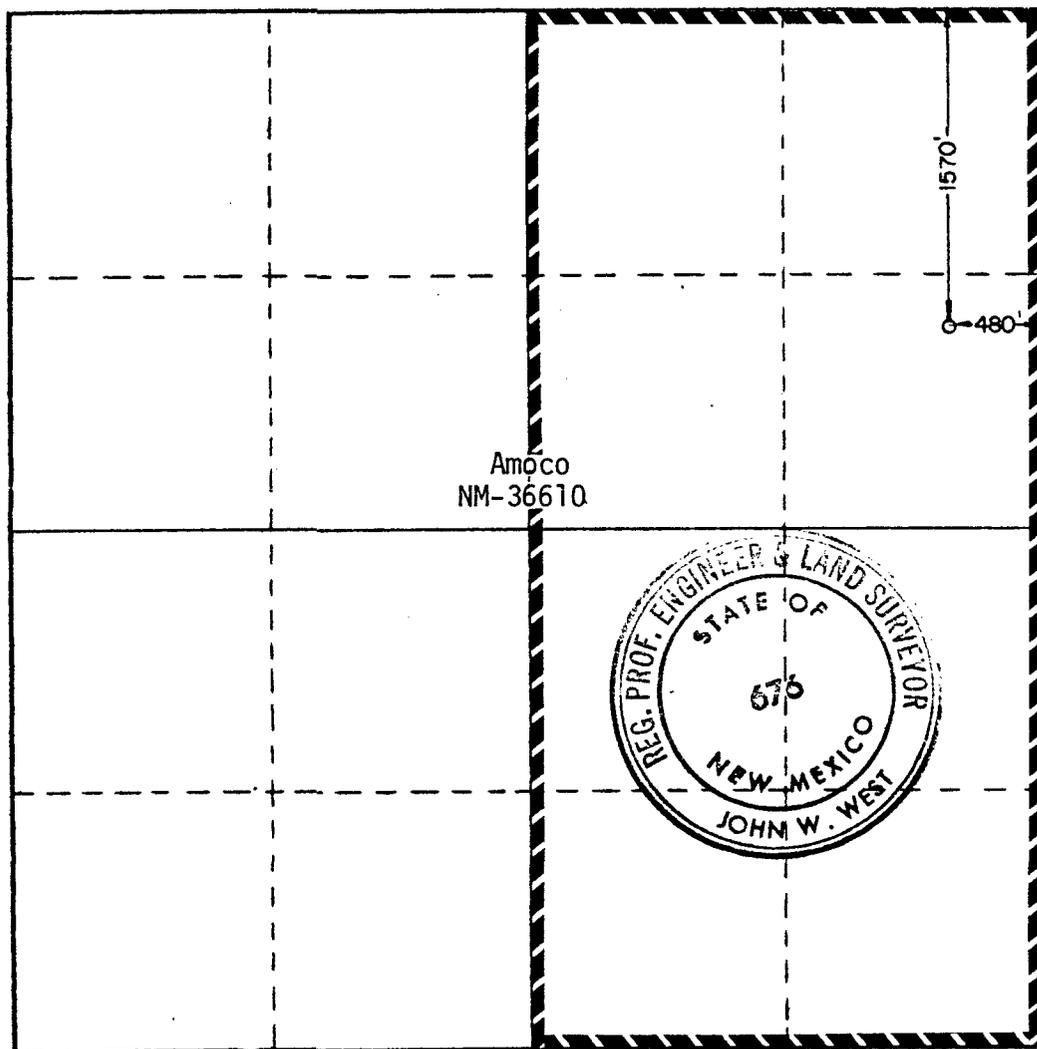
Operator Internorth, Inc.,		Lease Azotea Mesa Fed.		Well No. 1
Unit Letter H	Section 6	Township 23 South	Range 24 East	County Eddy
Actual Footage Location of Well: 1570 feet from the North line and 480 feet from the East line				
Ground Level Elev. 4243.2	Producing Formation Morrow	Pool Und. Robinia Draw (Morrow)	Dedicated Acreage: 320 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.

Name
E. H. Hunt

Position
District Engineer

Company
InterNorth, Inc.

Date
July 7, 1980

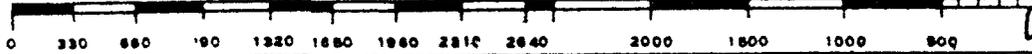
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

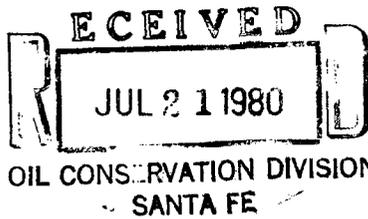
Date Surveyed
June 27, 1980

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No **JOHN W. WEST 676**
PATRICK A. ROMERO 6683
Ronald J. Eidson 3239





CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Gentlemen;

This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that InterNorth, Inc. is filing an application with the Division for administrative approval of an unorthodox location for the Azotea Mesa Fed. No. 1 Well to be located 1570 feet from the north line and 480 feet from the east line of Section 6, T-23-S, R-24-E., Eddy County, New Mexico, because of topography. A copy of the dedicated acreage is attached.

We respectfully request that you waive objection to the unorthodox location and to so indicate by signing one copy of this letter and mailing it to:

Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration of this request will be appreciated.

Yours very truly,

E. H. Fout

NO OBJECTION OFFERED.

Gulf Oil Corporation

for *C. F. Kalteyer*
C. F. Kalteyer, Chief Proration Engineer

July 17, 1980

RECEIVED
JUL 17 1980
OIL CONSERVATION DIVISION
SANTA FE

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that InterNorth, Inc. is filing an application with the Division for administrative approval of an unorthodox location for the Azotea Mesa Fed. No. 1 Well to be located 1570 feet from the north line and 480 feet from the east line of Section 6, T-23-S, R-24-E., Eddy County, New Mexico, because of topography. A copy of the dedicated acreage is attached.

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Yours very truly,

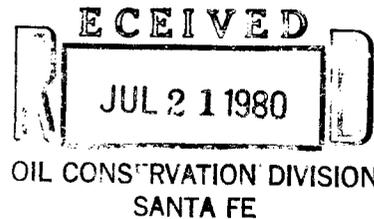
E. H. Hunt

NO OBJECTION OFFERED

By: *Walter T. Toombs*

Date: *7/10/80*

CERTIFIED MAIL
RETURN RECEIPT REQUESTED



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New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration of this request will be appreciated.

Yours very truly,

E. H. Fout

NO OBJECTION OFFERED

By: *[Signature]*

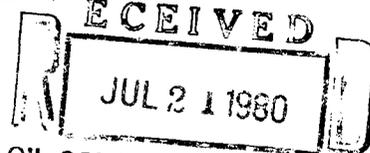
Date: 7-15-80



Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

July 16, 1980



OIL CONSERVATION DIVISION
SANTA FE

Re: EA 51351
Azotea Mesa Fed No. 1
Unorthodox Well Location
Section 6, T-23S, R-24E
Eddy County, New Mexico

Director New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Gentlemen:

Enclosed please find an executed letter waiving any objections to an unorthodox well location of the subject well to be operated by Internorth, Inc.

If you require any further information, please advise.

Yours very truly,

P. L. Sams
Landman

PLS/dgh
249/EE

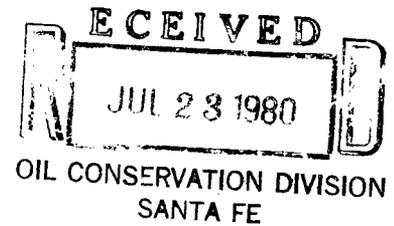
Enclosure

cc: Internorth, Inc.
403 Wall Towers West
Midland, TX 79701

Attention: Glenda L. Howard

Mr. J. C. Allen - Jefferson, Room 1010A

CERTIFIED MAIL
RETURN RECEIPT REQUESTED



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New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration of this request will be appreciated.

Yours very truly,

E. H. Hunt

NO OBJECTION OFFERED.

By: GETTY OIL COMPANY

Date: *Quinn B. Carg*
7-21-80

RECEIVED
JUL 23 1980
OIL CONSERVATION DIVISION
SANTA FE

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Gentlemen;

This is to inform you, pursuant to the requirements of Section F, Rule 104, Rules and Regulations of the New Mexico Oil Conservation Division, that InterNorth, Inc. is filing an application with the Division for administrative approval of an unorthodox location for the Azotea Mesa Fed. No. 1 Well to be located 1570 feet from the north line and 480 feet from the east line of Section 6, T-23-S, R-24-E., Eddy County, New Mexico, because of topography. A copy of the dedicated acreage is attached.

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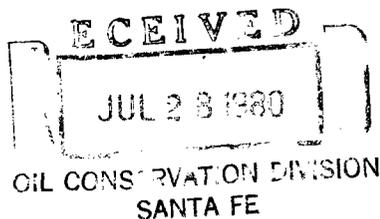
Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration of this request will be appreciated.

Yours very truly,
E. H. Hunt

NO OBJECTION OFFERED.
CITIES SERVICE COMPANY
By: *John W. Young*
John W. Young, Manager - Land, Southwest Region
Date: July 23, 1980

RECEIVED
JUL 9 1980
LAND DEPARTMENT
E & P



CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration of this request will be appreciated.

Yours very truly,

E. H. Hunt

NO OBJECTION OFFERED.
WALTER DUNCAN

By: *Dale E. Harrison*

Dale E. Harrison, Land Manager

Date: July 23, 1980

RECEIVED
JUL 14 1980
OIL CONSERVATION DIVISION
SANTA FE

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration of this request will be appreciated.

Yours very truly,

E. H. Fout

NO OBJECTION OFFERED.
AMERICAN PUBLIC ENERGY COMPANY

By: *David L. Cherry*
David L. Cherry, Vice President/Land Manager

Date: July 11, 1980

RECEIVED

JUL 9 - 1980



CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Your favorable consideration of this request will be appreciated.

Yours very truly,

E. H. Hunt

NO OBJECTION OFFERED.

By: *American Gas and Oil Co. of New Mexico*

Date: *7/10/80*

Robert A. Stulman
Division Operations Manager