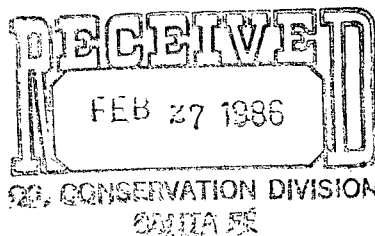


Release March 19, 1986



By DEC

Donald W. Johnson  
Division Manager  
Production Department  
Hobbs Division  
North American Production



Conoco Inc.  
P.O. Box 460  
726 East Michigan  
Hobbs, NM 88240  
(505) 393-4141

February 24, 1986

USC-2239  
RULE-104 FZ

Dual well.

State of New Mexico  
Energy and Minerals Dept.  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87501-2088

Skaggs Drinkard - 40 Acre d. NW 1/4 NE 1/4  
Warren Tubb - 40 Acre d. NW 1/4 NE 1/4

Attention Mr. Richard Stamets

Gentlemen:

REQUEST FOR UNORTHODOX LOCATION - SEMU NO. 123, 230' FNL AND 1650' FEL OF SECTION 19, T-20S, R-38E, LEA COUNTY, NEW MEXICO. SKAGGS DRINKARD/WARREN TUBB POOLS

Conoco Inc. respectfully requests administrative approval to drill the subject well at an unorthodox location in unit letter B, 230' FNL and 1650' FEL of Section 19, T-20S, R-38E, Lea County. This location is necessary in order to avoid a known archaeological site (NMA 5772) and still provide the opportunity for commercial production potential. A previous location of 330' FNL and 2080' FEL of Section 19, T-20S, R-38E was staked and surveyed, but it was concluded by our contract archaeologist that the drilling pad would interfere with the archaeological site. The archaeologist informed us that a move to the west or south would not be possible because of the presence of artifacts occurring throughout this duned area. The proposed unorthodox location is approximately 114 feet north of the SEMU No. 72 well, however, the SEMU No. 72 is producing out of the Warren McKee/East Skaggs Abo pools and the SEMU No. 123 will be drilled to produce the Skaggs Drinkard/Warren Tubb pools.

Attached is a plat showing the proximity of the proposed location and the archaeological site in question. Drilling operations will not interfere with the site. Also attached is Form C-102 showing the well location and dedication and a copy of the notification sent to the offset operator.

Yours very truly,

*Donald W. Johnson*

ELK:jr

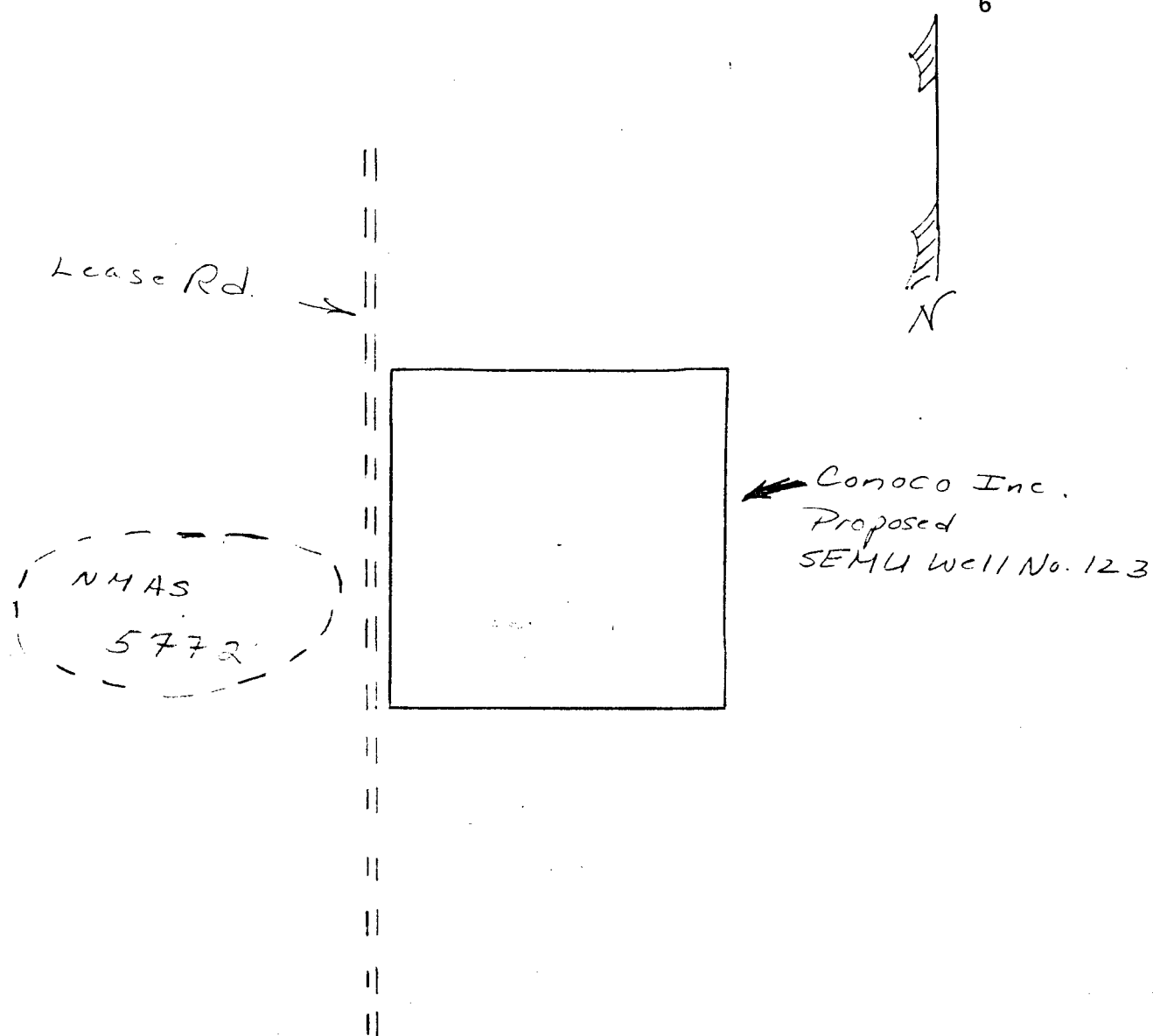


Fig. 2. Schematic representation showing CONOCO INC.'s proposed SEMU Well No. 123 vis à vis N4AS 5772 and existing north-south, lease road. Men and materiel are to avoid the archaeological sensitive area altogether.

**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.

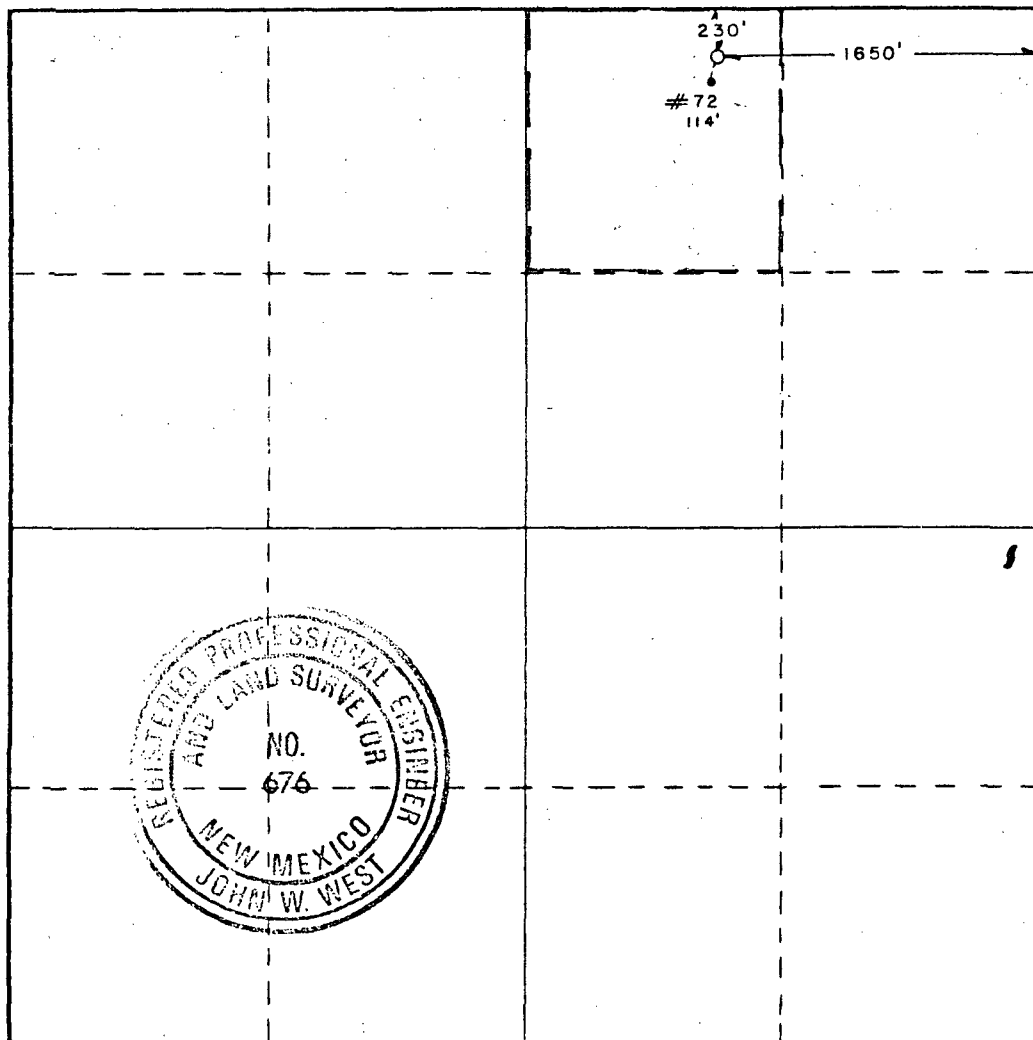
Operator <b>CONOCO, INC.</b>			Lease <b>SEMU</b>		Well No. <b>123</b>
Unit Letter <b>B</b>	Section <b>19</b>	Township <b>20 SOUTH</b>	Range <b>38 EAST</b>	County <b>LEA</b>	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> <span>1650 feet from the <b>EAST</b> line and</span> <span>230 feet from the <b>NORTH</b> line</span> </div>					
Ground Level Elev. <b>3546.0'</b>	Producing Formation <b>Drinkard</b>	Pool <b>Skaggs Drinkard</b>	Dedicated Acreage: <b>40</b> 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 *Kevin L. Vogel*  
 Position Administrative Supervisor  
 Company CONOCO INC  
 Date 2-24-86

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 14, 1986**

Registered Professional Engineer  
and/or Land Surveyor

Certificate No. **JOHN W. WEST, 676**  
**RONALD J. EIDSON, 3239**

**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.

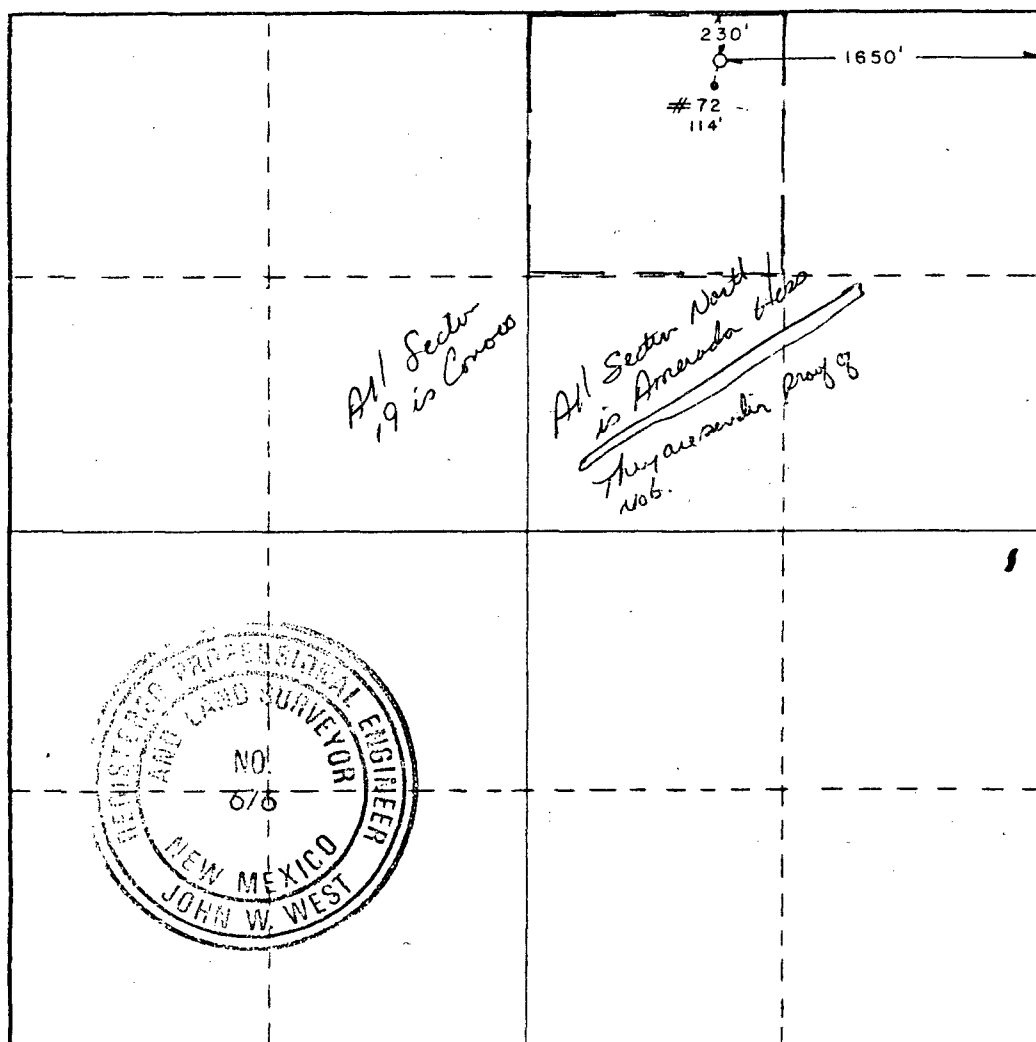
Operator <b>CONOCO, INC.</b>			Lease <b>SEMU</b>		Well No. <b>123</b>
Unit Letter <b>B</b>	Section <b>19</b>	Township <b>20 SOUTH</b>	Range <b>38 EAST</b>	County <b>LEA</b>	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> <span>1650 feet from the <b>EAST</b> line and</span> <span>230 feet from the <b>NORTH</b> line</span> </div>					
Ground Level Elev. <b>3546.0'</b>	Producing Formation <b>Tubb</b>	Pool <b>Warren Tubb</b>	Dedicated Acreage: <b>40</b> 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 *Kevin Libgel*  
 Position Administrative Supervisor  
 Company CONOCO INC.

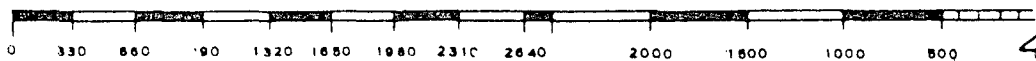
Date 2-24-86

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 14, 1986

Registered Professional Engineer and/or Land Surveyor

*John W. West*  
 Certificate No. JOHN W. WEST, 676  
RONALD J. EIDSON, 3239



91745



Donald W. Johnson  
Division Manager  
Production Department  
Hobbs Division  
North American Production

Conoco Inc.  
P.O. Box 460  
726 East Michigan  
Hobbs, NM 88240  
(505) 393-4141

February 18, 1986

(Address List Attached)

Dear Royalty Interest Owner:

Conoco Inc. is requesting approval to store production from the Tuesday A Federal lease, Section 3, T-20-S, R-29-E, Eddy County, New Mexico at the Tuesday Federal battery, Section 34, T-19-S, R-29-E, Eddy County, New Mexico. This request is in accordance with Rule 309-C of the State of New Mexico Oil Conservation Division rules and regulations concerning Off-Lease Storage.

There will be no commingling of production between the two leases as specified in paragraph 2 of Rule 309-C. The Off-Lease storage of the Tuesday A Federal production may be approved administratively providing no interest owner objects. Conoco Inc., hereby requests your waiver of objection to its Off-Lease storage of the Tuesday A Federal production.

If you have no objection, please execute one copy of this letter and return it in the enclosed self-addressed, stamped envelope. The second copy may be retained for your files. If you have any questions concerning this matter, please contact Ed Kepford at ext. 120 of this office.

Thank you for your cooperation.

Yours very truly,

ELK:tr

Executed the \_\_\_\_\_ day of \_\_\_\_\_ 1986.

By \_\_\_\_\_

INTEREST OWNERS

Robert E. and Anna Lou Manion  
2577 Edington Rd.  
Columbus, OH 43221

Harriet Bracken  
1430 Zollinger Rd.  
Columbus, OH 43221

Southland Royalty Company  
21 Desta Drive  
Midland, TX 79701

Allan Jochimson  
2402 Cimmaron  
Midland, TX 79705

Delmar Hudson Lewis  
1440 Interfirst Tower  
Fort Worth, TX 76102

Francis Hudson Bowden  
1440 Interfirst Tower  
Fort Worth, TX 76102

Mary Hudson Ard  
1440 Interfirst  
Fort Worth, TX 76102

Josephine T. Hudson  
1440 Interfirst Tower  
Fort Worth, TX 76102

Edward R. Hudson, Jr. and Ann F. Hudson  
1440 Interfirst Tower  
Fort Worth, TX 76102

Coronet Trading Corp.  
P.O. Box 218  
Midland, TX 79702

Kathleen Hannifan  
P.O. Drawer 2588  
Roswell, NM 88201

Holly Hannifan Schertz  
P.O. Drawer 2588  
Roswell, NM 88201

Allen Hannifan  
P.O. Drawer 2588  
Roswell, NM 88201

Barbara Ann Woods  
2055 E. Hampton Apt. 81  
Mesa, AZ 85202

Shawn Hannifin  
18236 E. Mansfield Ave.  
Aurora, CO 80013