



**Sun Exploration and
Production Company**
No 24 Smith Road
ClayDesta Plaza
PO Box 1861
Midland TX 79702 9970
915 688 0300

July 15, 1987

Mr. David Catanach
Energy & Mineral Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Offset Operator Notification
Unorthodox Location Amendment
Wildcat Atoka Field
Sun Exploration & Production Co.
New Mexico Federal Comm. No. 1
2080' FNL & 600' FEL, Unit Letter H,
Sec. 24, T-18-S, R-33-E
Lea County, New Mexico

Case No. 8812, Order No. 8157
dated February 10, 1986

Dear Mr. Catanach:

Per our telephone conversation of July 15, 1987, attached is copy of letter sent to offset operator notifying them of the amendment of the unorthodox location captioned above.

Both Texaco, Inc. and Conoco, Inc. were notified by registered mail on July 15, 1987. If you do not receive any objections from the offsets within 20 days of your posting date, please amend the captioned order to read Wildcat Atoka Field instead of Wildcat Morrow Field.

Yours truly,

A handwritten signature in cursive script, reading "Maria L. Perez".

Maria L. Perez
Associate Accountant
915/688-0375

MLP/mcn



Sun Exploration and
Production Company
No 24 Smith Road
ClayDesta Plaza
PO Box 1861
Midland TX 79702 9970
915 688 0300

July 15, 1987

Texaco, Inc.
Attn: Mr. Gary Kern
P.O. Box 3109
Midland, Texas 79702

Conoco, Inc.
Attn: H.A. Ingram
P.O. Box 460
Hobb, NM 88240

RE: Offset Operator Notification
Unorthodox Location Amendment
Wildcat Atoka Field
Sun Exploration & Production Co.
New Mexico Federal Comm. No. 1
2080' FNL & 660' FEL, Unit Letter H,
Sec. 24, T-18-S, R-33-E
Lea County, New Mexico

Gentlemen:

On January 14, 1986, Sun sent you notification of the captioned unorthodox location originally submitted as Wildcat Morrow Field. Waivers were received from you and Case No. 8812 Order No. R-8157, was issued by the Oil Conservation Commission in Santa Fe, New Mexico on February 10, 1986 approving this unorthodox location.

This location is an unorthodox location as it is located 600 feet from the nearest end boundary. New Mexico Statewide Rules for a wildcat gas well in the Wolfcamp or older formation is 320 surface contiguous acres, not closer than 660 feet to the nearest side boundary nor closer than 1980 feet to the nearest end boundary nor closer than 330 feet to any quarter-quarter section line.

The well location did not change. This is to notify you that we have changed the reservoir name from Wildcat Morrow to Wildcat Atoka.

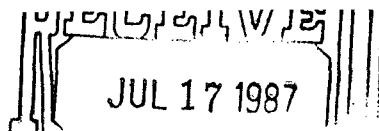
If no protest is received from you within 20 days from the day Oil Conservation Commission posts this letter, the Case and Order Number will be administratively amended to read Wildcat Atoka Field.

Yours truly,

A handwritten signature in cursive script, reading "Maria L. Perez".

Maria L. Perez
Associate Accountant

MLP/mcn



34 DL
Sun Production
Operations Division
Southwestern District

Release Date: Aug 3, 1987

Sun Exploration and
Production Company
No 24 Smith Road
ClayDesta Plaza
PO Box 1861
Midland TX 79702 9970
915 688 0300

July 13, 1987

Mr. David Catanach
Energy & Mineral Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

NSL - 2365
RULE-104 F (E)

~~Undesignated~~ Alaska
320 Acres dedicated
N 1/2 Section 24

Create new
NSL - for this
well, previous
approved by Order No R-8157

RE: To Amend Case No. 8812
Order No. R-8157
Unorthodox Gas Well Location
Sun Exploration & Production Co.
New Mexico Federal Comm No. 1
Wildcat Atoka
Sec. 24, T-18-S, R-33-E
Lea County, New Mexico

2080 FNL
660 FEL
Section 24, T-18-S
R-33-E, NMAM.
Lea County.

Dear Mr. Catanach:

Per telephone conversation of 7-13-87, please amend the above order to read Atoka Formation instead of Morrow Formation.

None of the attachments, plat and information you have on file has changed. Everything is the same except for the Formation name from Morrow to Atoka. The Communitization Agreement No. SW586 also did not change.

We have submitted to the Oil Conversation Commission in Hobbs forms C-104 to transport condensate and gas and form C-123 to create a new pool. Could you give June Goble in your Hobbs office a call at A/C 505-393-6161 as soon as you receive this letter to verify that you do have letter and you are in agreement so she can process forms.

Please advise if you will require additional information.

Yours truly,

Maria L. Perez
Maria L. Perez
Accounting Associate
915-688-0375

Remarks: The above described unorthodox location was originally approved by Division Order No. R-8157 for the Morrow formation. The well was subsequently completed in the Atoka formation. This order authorizes the well location for the Atoka formation.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 8812
Order No. R-8157

APPLICATION OF SUN EXPLORATION AND
PRODUCTION COMPANY FOR AN UNORTHODOX
GAS WELL LOCATION, LEA COUNTY,
NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on February 5, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 10th day of February, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

Change to AtoKa
(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Sun Exploration and Production Company, seeks approval of an unorthodox gas well location 2080 feet from the North line and 600 feet from the East line of Section 24, Township 18 South, Range 33 East, NMPM, to test the Morrow formation, Lea County, New Mexico.

(3) A standard proration unit consisting of the N/2 of said Section 24 is to be dedicated to the well.

(4) Geologic evidence presented at the hearing indicated that a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(5) No offset operator objected to the proposed unorthodox location.

(6) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the affected pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

*change to
Alaska*

(1) The application of Sun Exploration and Production Company for an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located 2080 feet from the North line and 600 feet from the East line of Section 24, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico.

(2) The N/2 of said Section 24 shall be dedicated to the above-described well.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. Stamets
R. L. STAMETS,
Director

S E A L