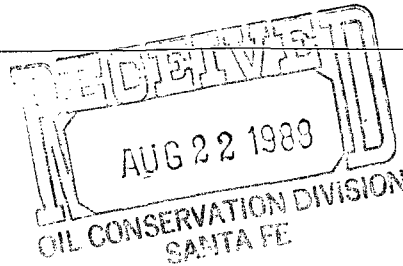




David L. Wacker
Division Manager
Production Department
Hobbs Division
North American Production



Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 397-5800

August 16, 1988

Mr. William LeMay, Director
State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501-2088

Dear Mr. LeMay:

Request for Unorthodox Location - Britt B No. 28, 2280' FSL & 2020' FWL,
Section 15, T20S, R37E, Lea County, NM. Cass Penn Pool

Conoco Inc. respectfully requests administrative approval to drill the subject well at the unorthodox location stated above.

The unorthodox location for the subject well is necessary to avoid a powerline which exists at the orthodox location originally considered for this well. The existing powerline is located approximately 150' south of the proposed location and runs west-northwest to east southeast.

Conoco Inc. is the only operator in this pool and offsets this proposed location with the exception of the south end of the proration unit. Conoco is moving away from the south end of the proration unit with this location.

Attached is a map showing the offset operator, Form C-102 showing the well location and dedication, and an attachment showing the offset operator. Please contact Ms. Ceal Yarbrough at (505) 397-5825 if you have any questions.

Yours very truly,

David L. Wacker
Division Manager

COY:jd

cc: Nmoed - Hobbs

**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.

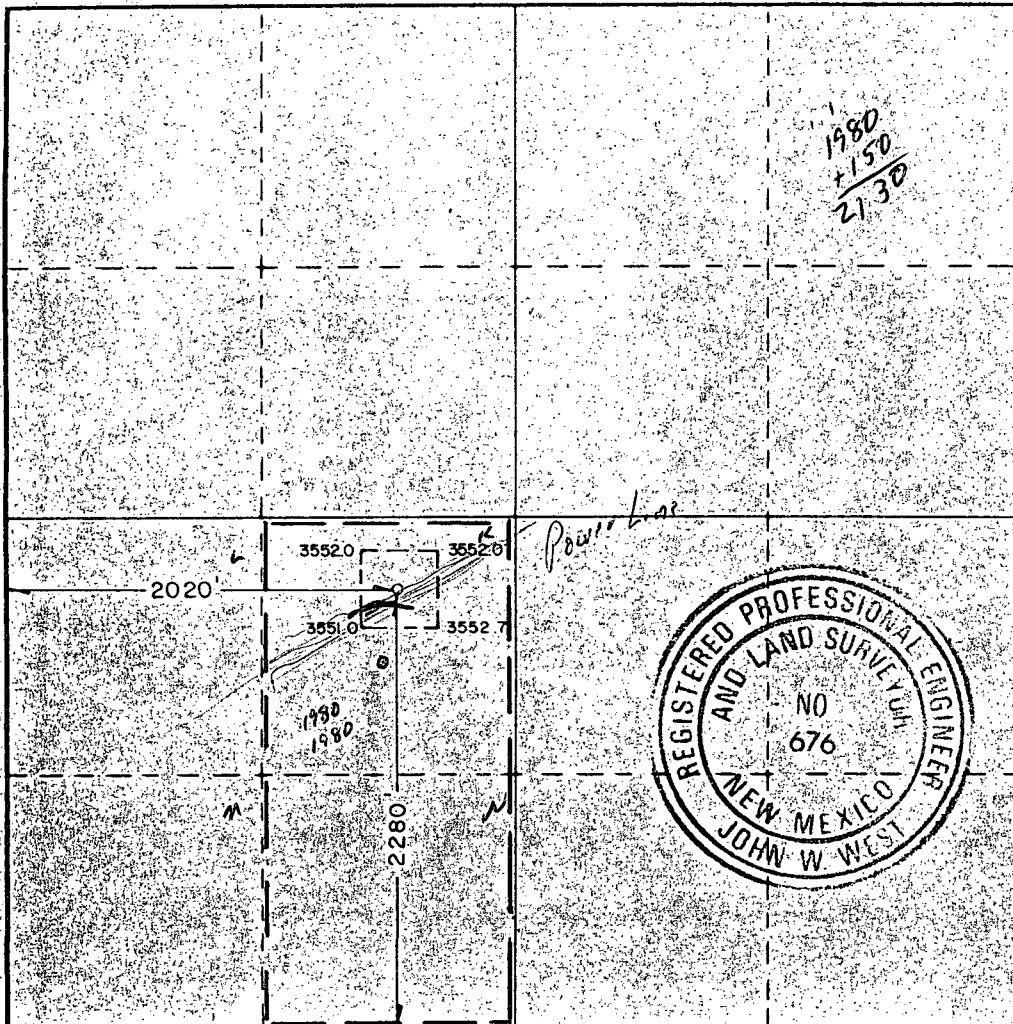
Operator Conoco, Inc.		Lease Britt "B"		Well No. 28
Unit Letter K	Section 15	Township 20 South	Range 37 East	County Lea
Actual Footage Location of Well: 2280 feet from the South line and 2020 feet from the West line				
Ground Level Elev. 3550.8	Producing Formation Strawn	Pool Cass Penn	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 D.F. Finney
Position Adm. Supervisor
Company Conoco Inc.

Date 8/12/88

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 July 27, 1988

Registered Professional Engineer and/or Land Surveyor

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

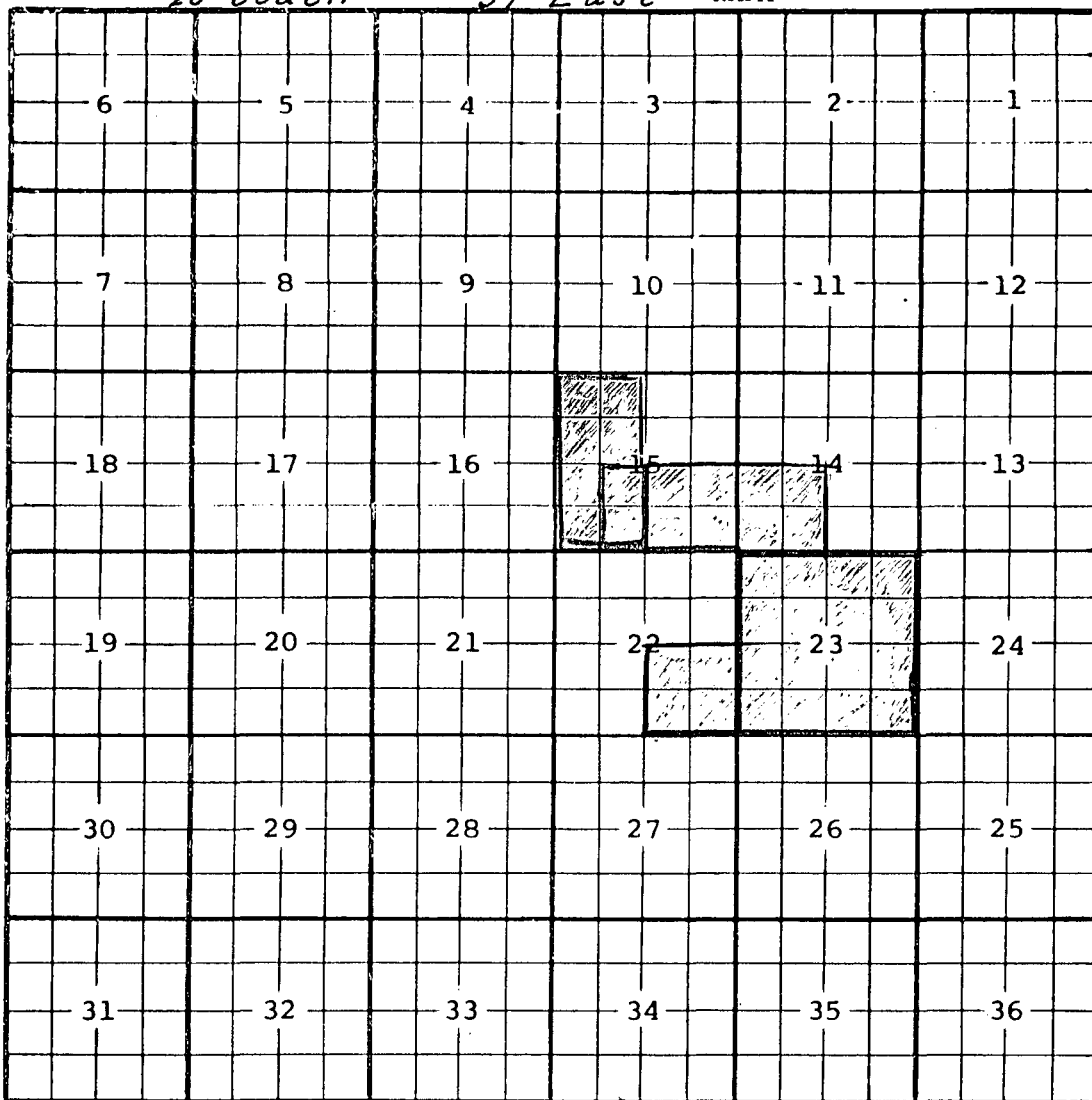
Britt B No. 28

Offset Operator

Amoco Production
P. O. Box 4072
Odessa, TX 79760

COUNTY LeaPOOL Cass

(PE)

TOWNSHIP 20-South RANGE 37-East NMFMDescription: All Sec. 23.Ext: $\frac{SW}{4}$ Sec. 14; $\frac{SE}{4}$ Sec. 15, (R-1008, 5-29-57). $\frac{SE}{4}$ Sec. 22 (R-3530, 11-1-68) EXT: $\frac{W}{2}$ SEC 15 (R-8626, 1/1/88)

(MEDICINE ROCK-DEVONIAN POOL - Cont'd.)

(2) That the applicant, Sinclair Oil & Gas Company, seeks the promulgation of special rules and regulations for the Medicine Rock-Devonian Pool, Lea County, New Mexico, including a provision for 80-acre oil proration units.

(3) That the evidence presented at the hearing of this case establishes that the Medicine Rock-Devonian Pool can be efficiently and economically drained and developed on 80-acre proration units, and that such development will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:
That Special Rules and Regulations for the Medicine Rock-Devonian Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE MEDICINE ROCK-DEVONIAN POOL

RULE 1. Each well completed or recompleted in the Medicine Rock-Devonian Pool or in the Devonian formation within one mile of the Medicine Rock-Devonian Pool, and not nearer to or within the limits of another designated Devonian oil pool, shall be spaced, drilled, operated, and provided in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well completed or recompleted in the Medicine Rock-Devonian Pool shall be located on a unit containing approximately 80 acres, which consists of any two contiguous quarter-quarter sections of the 80-acre unit, or of any one of the four quarter-quarter sections of the 80-acre unit. For purposes of these Rules a unit consisting of between 79 and 81 surface contiguous acres shall be considered a standard unit.

RULE 3. Each well projected to or completed in the Medicine Rock-Devonian Pool shall be located within 150 feet of the center of either quarter-quarter section in the 80-acre unit; provided, however, that nothing contained herein shall be construed as prohibiting the location of a well on each of the quarter-quarter sections in the 80-acre unit.

RULE 4. For good cause shown, the Secretary-Director may grant an exception to Rule 2 without notice and hearing where an application has been filed in due form, and where the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Lands Survey, or where the following facts exist and the following provisions are complied with:

(1) The non-standard unit consists of a single quarter-quarter section or lot.
(2) The non-standard unit consists of not more than 81 acres.

(3) The entire non-standard unit may reasonably be presumed to be productive of oil from said pool.

(4) The applicant presents written consent in the form of waivers from all offset operators.

(5) In lieu of Paragraph 4 of this Rule, the applicant may furnish proof of the fact that all of the offset operators were notified of his intent to form such non-standard unit. The Secretary-Director may approve the application if, after a period of 30 days, no such operator has entered an objection to the formation of the non-standard unit.

RULE 5. An 80-acre proration unit (79 through 81 acres) in the Medicine Rock-Devonian Pool shall be assigned an 80-acre proportional factor of 1.75 for allowable purposes, and in the event there is more than one well on an 80-acre proration unit,

SECTION II

F. W. Byram & Co., - July, 1970

the operator may produce the allowable assigned to the unit from said wells in any proportion.

IT IS FURTHER ORDERED:

That the allowable provisions of this order shall become effective October 1, 1962. Further, that all operators who propose to dedicate 80 acres to a well in the Medicine Rock-Devonian Pool must file an amended Commission Form C-128 with the Hobbs District Office of the Commission by September 27, 1962.

IT IS FURTHER ORDERED:

That any well drilled or drilling in accordance with State-wide Rule 104 on the date of entry of this order which is located in exception to the above-described well location requirements is hereby granted an exception to said requirements.

IT IS FURTHER ORDERED:

That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

CASS POOL
Lea County, New Mexico

Order No. R-2825, Adopting Operating Rules for the Cass Pool, Lea County, New Mexico, December 7, 1964, as Amended by Order No. R-2825-B, December 7, 1964.

Application of Continental Oil Company for Special Pool Rules, Lea County, New Mexico.

CASE NO. 3166
Order No. R-2825

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on November 24, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 7th day of December, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Continental Oil Company, seeks the promulgation of special rules and regulations for the Cass Pool in Township 20 South, Range 37 East, NMDM, Lea County, New Mexico, including a provision for 80-acre spacing and authority to transfer allowables.

(3) That one well in the Cass Pool can efficiently and economically drain and develop 80 acres.

(4) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and

F. W. Byram & Co., - Oct., 1969

SECTION II

New Mexico Page 137

(CASS POOL - Cont'd.)

protect correlative rights, special rules and regulations providing for 80-acre spacing units should be promulgated for the Cass Pool.

(5) That the special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(6) That the applicant has not established that authority to transfer allowables within the Cass Pool will prevent waste or protect correlative rights.

(7) That the applicant's request for authority to transfer allowables within the Cass Pool should be denied.

IT IS THEREFORE ORDERED:

That Special Rules and Regulations for the Cass Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
CASS POOL

RULE 1. Each well completed or recompleted in the Cass Pool or in the Pennsylvanian formation within one mile thereof, and not nearer to or within the limits of another designated Pennsylvanian oil pool, shall be spaced, drilled, operated, and provided in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 80 acres, more or less, consisting of the N/4, S/2, E/2, or W/2 of a governmental quarter section, provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed in due form, and where the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Lands Survey, or where the following facts exist and the following provisions are complied with:

RULE 4. (As Amended by Order No. R-2825-B, December 7, 1964.) Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed in due form, and where the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Lands Survey, or where the following facts exist and the following provisions are complied with:

(1) That each well presently drilling to or completed in the Cass Pool or in the Pennsylvanian formation within one mile thereof shall receive a 40-acre allowable within a Form C-128 dedicating 80 acres to the well has been filed with the Commission.

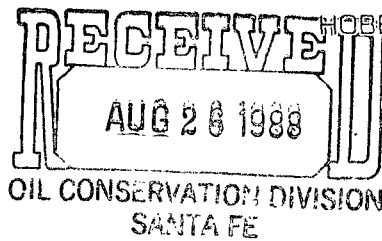
(2) That the applicant's request for authority to transfer allowables within the Cass Pool is hereby denied.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



HOBBS DISTRICT OFFICE

8-22-88

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC _____
NSL X _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Conoco Inc. Britt B #28-K 15-20-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK JS

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed



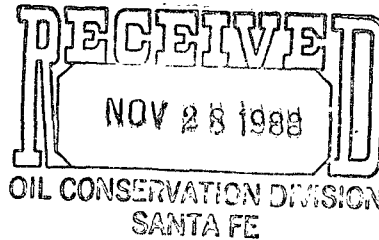
STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
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11-22-88

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HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501



RE: Proposed:

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Supervisor, District 1

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