

OXY USA INC.

Box 50250, Midland, TX 79710

November 8, 1994

Mr. Michael Stogner Oil Conservation Division 2040 S. Pacheco Santa Fe, New Mexico 87504

11159

Re:

Application of Conoco Inc. for Unorthodox Gas Well Location for the Lockhart B-28 #1 Well and Simultaneous Dedication with Wells Nos. 2 and 3 to an existing 240 acre Non-Standard Proration Unit, Eumont Yates 7 Rivers Qn (Pro Gas) Pool, Lea County, New Mexico

Dear Mr. Stogner:

OXY USA Inc. hereby protests the subject application. We operate a Eumont gas well directly offsetting Conoco's #1 well and our correlative rights would be adversely impacted by the granting of this application. We request this matter be set for hearing on the December 15, 1994 docket. We further ask that the NMOCD require the #1 well to be shut-in pending the final outcome of this dispute.

Our attorney for this case is Mr. Bill Carr. Please copy him on any correspondence related to this matter. Thank you for consideration of our requests.

Sincerely,

Richard E. Foppiano

Regulatory Affairs Advisor

Western Region - Midland

CC: Scott Gengler

Mr. Bill Carr

Mr. Jerry Hoover (Conoco)