



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

April 5, 1995

Conoco, Inc.
c/o W. Thomas Kellahin
P.O. Box 2265
Santa Fe, New Mexico 87504-2265

RE: Case 11242: Application of Conoco, Inc. for directional drilling and an unorthodox gas well location, Eddy County, New Mexico, for the Savannah Well No. 1 to be drilled in Unit "A" of Section 32, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

Dear Mr. Kellahin:

It has come to my attention by way of your "Pre-Hearing Statement" filed in this case to be heard at the April 6, 1995 Division Hearing that this matter will need to be readvertised to include Conoco's request to directional drill this well into the Morrow formation.

I have prepared the following ad to be placed on the next available docket scheduled for May 4, 1995:

CASE 11242: (READVERTISED)

Application of Conoco, Inc. for directional drilling and an unorthodox gas well location, Eddy County, New Mexico.

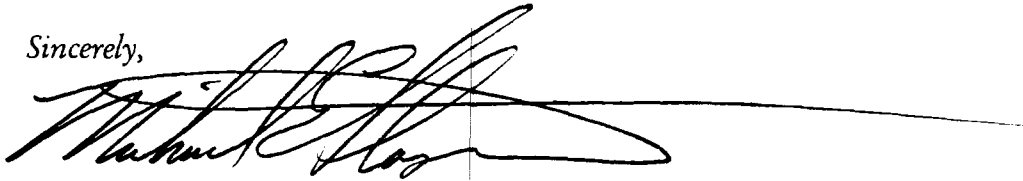
Applicant, in the above-styled cause, seeks authority to vertically drill its Savannah Well No. 1 from a surface location 660 feet from the North and East lines (Unit A) of Section 32, Township 19 South, Range 25 East, into the Undesignated North Dagger Draw-Upper Pennsylvanian Pool, in which the NE/4 of said Section 32 is to be dedicated to form a standard 160-acre oil spacing and proration unit for said oil pool. The applicant then proposes to kick-off in a southwesterly direction and continue drilling into the Undesignated Cemetery-Morrow Gas Pool within a target area that is 100 feet of a point located 1100 feet from the North and East lines (Unit A) of said Section 32, being an unorthodox gas well location for the Morrow formation. Further, the N/2 of said Section 32 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit in the Cemetery-Morrow Gas Pool. Said unit is located approximately 8 miles west of Lakewood, New Mexico.

Conoco, Inc.
April 5, 1995
page 2

I hope this is sufficient, if not please contact me before 5:00 pm on Tuesday, April 11, 1995 so that I can make any necessary changes. Your assistance will greatly be appreciated, because as you probably know, such oversights and readvertisements causes the doubling of an already full work load on the Division and the additional costs associated with the publishing of our dockets.

Should you have any additional questions or comments concerning this matter, please contact me at (505) 827-8185.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/kv

cc: Oil Conservation Division - Artesia
William J. LeMay, Director - OCD, Santa Fe
Jerry Hoover - Conoco, Inc. (Midland, Texas)