

JAMES F. DEVENPORT & COMPANY

1230 TWO FIRST CITY CENTER
MIDLAND, TEXAS 79701

915-684-3961

10 May 1984

COPY

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Joe D. Ramey, Director

Approval of Unorthodox
Well Location
Lea County, New Mexico
Enterprise (Deep) Unit

5042 8199

Gentlemen:.

Earle M. Craig, Jr. Corporation ("Craig") is currently obtaining final approval from the BLM and State of New Mexico for the captioned Federal and State Exploratory Unit. Said approval is expected before 1 June 1984.

The deepest formation to be tested is the Lower Morrow at an approximate depth of 14,000 feet. Our proposed 320 acre proration unit consists of Lots 1-8 of Section 2, T21S-R33E, NMPM, Lea County, New Mexico. Several prospective formations will be encountered and in order to evaluate all zones, an unorthodox location of 1320' FNL and 1320' FEL of Section 2 is proposed for the initial test well location.

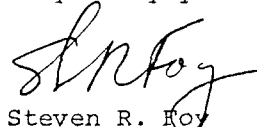
We hereby request a hearing before the Oil Conservation Commission on the 6 June 1984 agenda to obtain an order approving our proposed unorthodox location.

All operators of proration unit or spacing units offsetting the proration unit for which this unorthodox location is sought have been notified by certified mail, and are shown on the attached plat.

A geologic map, log, and a discussion of geologic conditions necessitating the unorthodox location are enclosed. Should same offset operators not enter an objection within 20 days of your receipt of this application, we respectfully request our application be granted administratively pursuant to Rule 104 F. II & III of Oil Conservation Division Rules and Regulations. Consequently, we would request our cause to be dismissed from the 6 June 1984 hearing.

As the proposed unit leasehold situation requires our well be commenced in June, your prompt consideration would be appreciated.

Very truly yours,


Steven R. Roy

SRF/bd



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SANTA FE, NEW MEXICO 87501
(505) 827-5800

Mr. Steven R. Foy
James F. Devenport & Company
1230 Two First City Center
Midland, Texas 79701

Re: CASE NO. 3199
ORDER NO. R-7576

Applicant:

Earle M. Craig, Jr. Corp.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

Other _____