

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

KELLAHIN and KELLAHIN
Attorneys at Law
El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Telephone 982-4285
Area Code 505

January 14, 1986

RECEIVED SUN EXPLORATION AND PRODUCTION COMPANY C/O DALLAS TEXAS JAN 14 1986 Sun 3 CASE NO. 8812

Mr. Richard L. Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

"Hand Delivered"

Re: Sun Exploration and Production Company

Dear Mr. Stamets:

Enclosed please find a First Amended Application for Sun Exploration and Production Company for an Unorthodox Well Location. It has already been docketed as Case 8812 for hearing on January 22, 1986. Please re-advertise and continue this case to February 5, 1986.

Very truly yours,


W. Thomas Kellahin

WTK:ca.
Enc.

cc: Charlie Gray
Sun Exploration and Production Company
P. O. Box 2880
Dallas, Texas 75221-2880

Conoco Inc. (Certified Mail)
Attn: Mr. Hugh Ingram
P. O. Box 460
Hobbs, New Mexico 88240

Sun Exploration: Case 8812 - 2/5/86

SENDER: Complete items 1, 2, 3 and 4. Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested. 1. <input checked="" type="checkbox"/> Show to whom, date and address of delivery. 2. <input type="checkbox"/> Restricted Delivery.		3. Article Addressed to: Conoco Inc. Attn: Mr. Hugh Ingram P. O. Box 460 Hobbs, New Mexico 88240		4. Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail Article Number P131003337		Always obtain signature of addressee or agent and DATE DELIVERED.		5. Signature - Addressee X		6. Signature - Agent X		7. Date of Delivery 1-16-86		8. Addressee's Address (ONLY if requested and fee paid)	
--	--	--	--	--	--	--	--	-------------------------------	--	---------------------------	--	--------------------------------	--	---	--

Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 393-4141

January 14, 1985

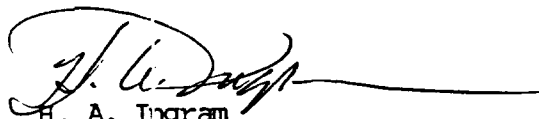
Sun Exploration and Production Company
No. 24 Smith Road
Clay Desta Plaza
P.O. Box 1861
Midland, Texas 79702

Attention Dee Ann Kemp

Gentlemen:

New Mexico Federal Comm Wildcat Morrow Field 2080' FNL & 600' FEL Section
24, T-13-S, R-33-E, Lea County, New Mexico

Conoco Inc. has approved as offset operator, your waiver letter dated January 14, 1986 for unorthodox location. A copy of your letter is attached.


H. A. Ingram
Conservation Coordinator

tr

cc: Tom Kellahin



January 14, 1986

Sun Exploration and
Production Company

No 24 Smith Road
Claydesta Plaza
PO Box 1861
Midland TX 79702-9970
915 683-0300

Conoco, Inc.
Attn: Mr. David Smylie
P.O. Box 460
Hobbs, New Mexico 88240

RE: New Mexico Federal Comm. Lease
Wildcat Morrow Field
2080' FNL & 600' FEL, Unit Letter H
Sec. 24, T-18-S, R-33-E
Lea County, New Mexico

Dear Mr. Smylie:

Sun Exploration & Production Company has scheduled a hearing for February 5, 1986, with the State of New Mexico Conservation. This hearing is to obtain approval to drill an unorthodox location for the referenced well. This well will be a Morrow test.

The New Mexico statewide rules for gas wells state that the well cannot be located closer than 1980 feet to the nearest end boundary nor closer than 330 feet to the quarter quarter section or subdivision inner boundary of the proration unit. This well is located only 600 feet from the nearest end boundary, of our 320 acre proration unit, which classifies this as an unorthodox location.

Attached for your information is a copy of the C-102 surveyor plat, showing the proration unit and also an area plat. If you have any questions concerning the above information please contact me at (915) 683-0374.

If you as an offset operator, to our 320 acre proration unit, have no objection to this application, it would be appreciated if you would so indicate by signing below and returning two copies to this office in the enclosed envelope. Your early consideration will be appreciated.

Very truly yours,

Dee Ann Kemp
Associate Accountant

I waive any objection to the proposed unorthodox location of the New Mexico Federal Comm. Lease, Well No. 1.

By:
Title: Conservation Coordinator

Company: Conoco Inc.
Date: 1/17/86