

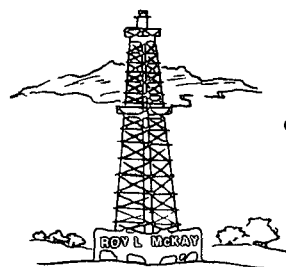
*Please Immediate
No offset
1-15-87*

By Dec

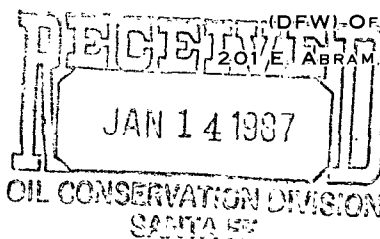
McKay Oil Corporation

ROY L. MCKAY, PRESIDENT

HOME OFFICE, P.O. BOX 2014 ROSWELL, N.M. 88202 • TELEPHONE 505/623-4735



OIL
&
GAS



(DFW)-OFFICE FIRST CITY TOWER, SUITE 590

201 E. ABRAM, ARLINGTON, TX 76010 817-265-5515

January 12, 1987

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

Attention: Dave Catanach

*NSL - 2307
RULE - 104F(Z)
West Pecos Slope Also
Gas Pool
160 acres dead.
SW 1/4 Sec 18.*

Re: Snakeweed Federal #1
SW/4, Sec. 18, T6S, R23E
Chaves County, New Mexico

Gentlemen:

McKay Oil Corporation requests to drill a Federal lease in the SW/4 of Section 18, Township 6 South, Range 23 East, NMPM. (See Attachment 'A') Due to topography and geological problems, McKay Oil is requesting an unorthodox status on this location.

The well was originally staked at 660 feet from the South line and 660 feet from the West line. Due to the terrain, the BLM would not approve this location or any other normal location within this particular drilling spacing unit. (See Attachment 'B')

The Southwest quarter of this quarter section was chosen because of geological data on wells to the South and West. Not much is known about the area to the North and East and an unorthodox location would also be required anywhere in this quarter section. Therefore, it is our opinion that this location would be the only economical and productive location to drill. (See Attachment 'C')

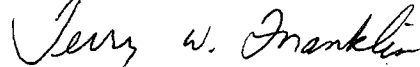
All minerals surrounding this proration unit are leased to McKay Oil Corporation.

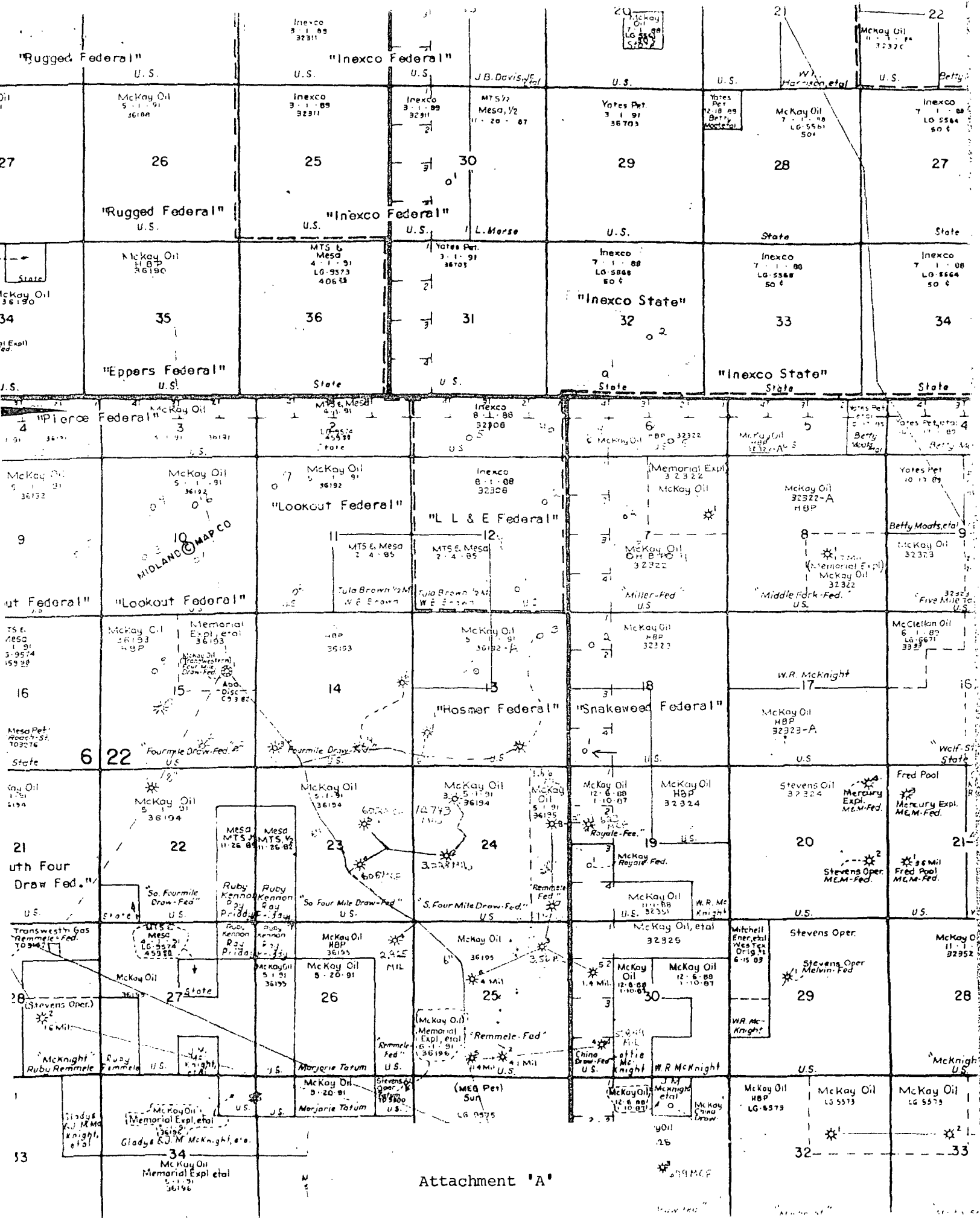
Therefore, McKay Oil requests that the O.C.D. approve the unorthodox location located at 450 feet from the South line and 330 feet from the West line, Section 18, Township 6 South, Range 23 East, NMPM, which has been approved by the BLM and E.N.M. Archaeological Service.

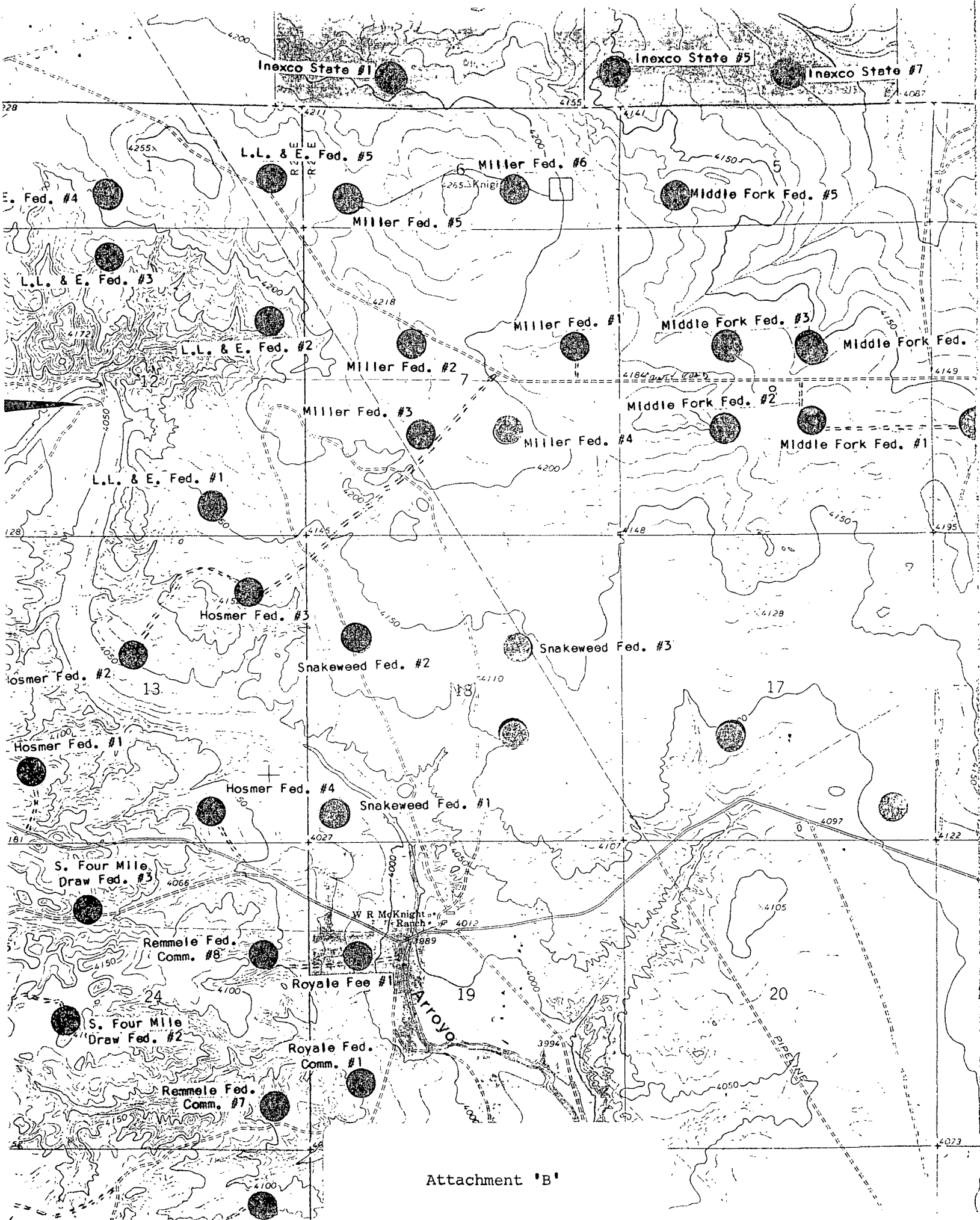
page 2 of 2
O.C.D.
January 12, 1987

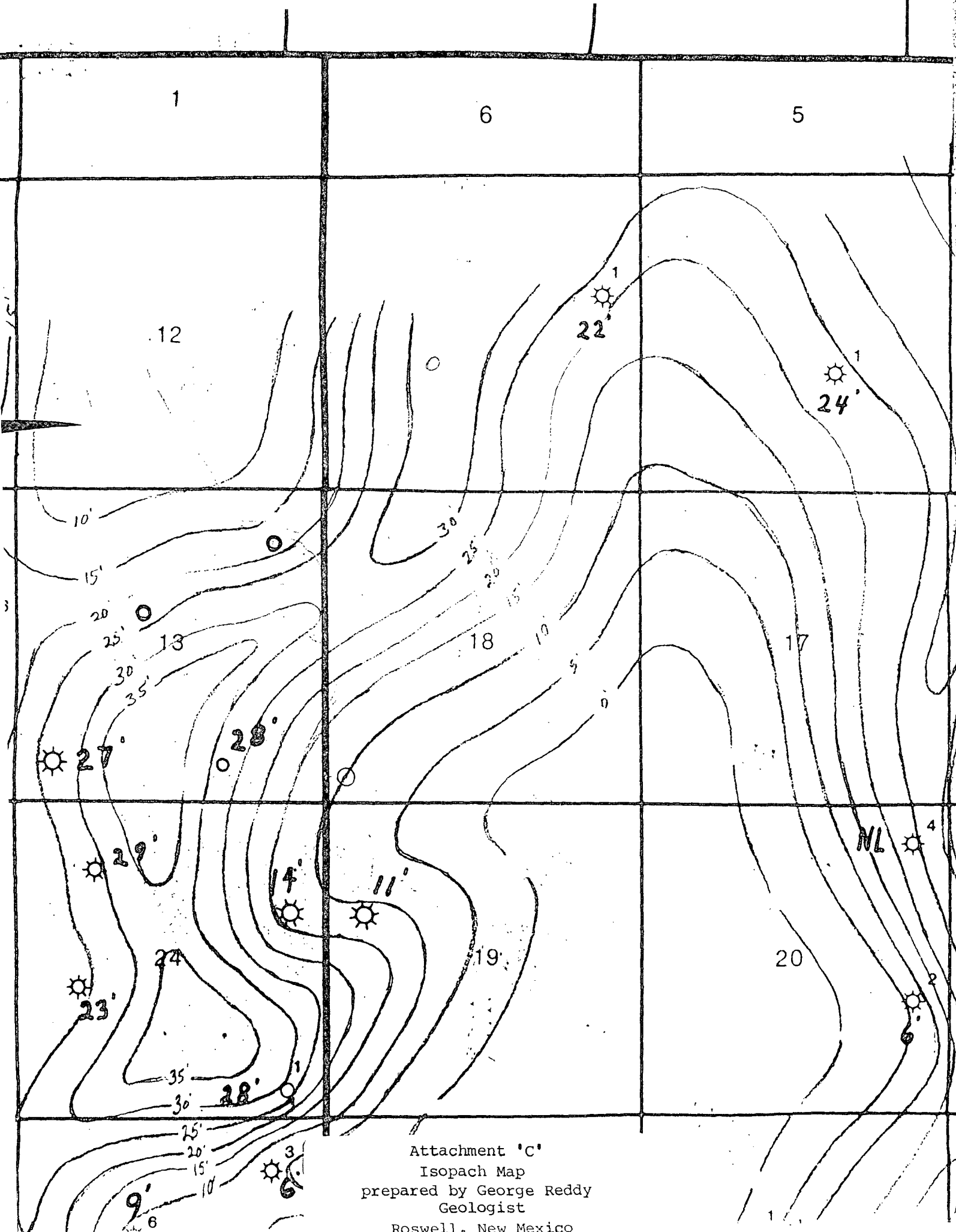
McKay Oil Corporation would request and appreciate your immediate attention to this matter. Thank you for your cooperation and assistance.

Sincerely,
McKay Oil Corporation


Terry W. Franklin
Agent







Attachment 'C'
 Isopach Map
 prepared by George Reddy
 Geologist
 Roswell, New Mexico