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LAWYERS

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JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

November 1, 1990

HAND-DELIVERED

Mr. Michael E. Stogner
Hearing Examiner
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87501

RECEIVED
NOV 1 1990
OIL CONSERVATION DIVISION

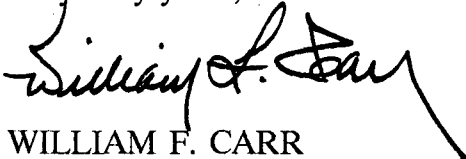
Re: Application of Nearburg Producing Company for Administrative Approval
of an Unorthodox Gas Well Location for its ~~Amethyst Federal Com No. 1~~
Well, located 1990 feet FWL and 1880 feet FNL of Section 32, Township
24 South, Range 29 East, Eddy County, New Mexico

Dear Mr. Stogner:

Pursuant to our discussion of October 29, 1990 enclosed please find a waiver letter from Phillips Petroleum Company and a plat on which we have placed the limits of the Atoka Channel Sand which is the primary objective in the above-referenced well. It is our belief that due to topographical and geological considerations, the requested location is the only possible location in this Atoka Channel on this spacing unit.

If you need anything further from Nearburg Producing Company to proceed with your consideration of this application, please advise.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR NEARBURG PRODUCING COMPANY

WFC:mlh

Enclosure

cc w/enc.: Mark Nearburg

Nearburg Producing Company

Exploration and Production
401 E. Illinois, Suite 300
Midland, Texas 79701
915 686-8235

Received

October 30, 1990

OCT 31 1990

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

P.B.R. Regulatory Section

Attention: Mr. Larry Sanders

Re: Amethyst Federal Com #1 Well
Section 32-24S-29E
Eddy County, New Mexico

Gentlemen:

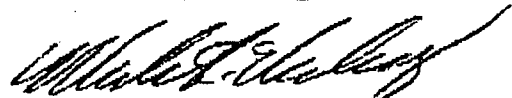
Nearburg Producing Company has been required to move the location of the captioned well to a point 990' FWL & 1880' FNL as shown on the attached plat due to the Bureau of Land Management's appropriate concern over the amount of dirt work required for the standard location and environmental concern regarding pit spills into Pecos River drainage channels.

Nearburg Producing Company requests that you waive objection to this location. The attached topographic map shows the standard location with a small arrow and the unorthodox location with a large arrow. Please consider that the topographic map does not do justice to the rugged terrain in this area.

Upon your agreement to waive objection to the above proposed unorthodox location, evidenced by your signature of this letter, Nearburg Producing Company agrees to waive objection at your written request to a location offsetting the N/2 of Section 32, which is no closer than 990' to the outer boundary of the N/2 of Section 32.

If you are agreeable to waiving objection to this location, please so indicate by signing and dating where indicated below, returning one (1) copy to Nearburg Producing Company at the captioned address. Please call me if you have any questions.

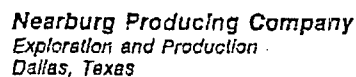
Yours very truly,



Mark K. Nearburg
Vice President

AGREED TO AND ACCEPTED THIS
31 DAY OF oct, 1990.
PHILLIPS PETROLEUM COMPANY

BY: 
its: Exec. Engr. Sp. L.



EDDY COUNTY, NEW MEXICO

ATOKA CHANNEL SAND

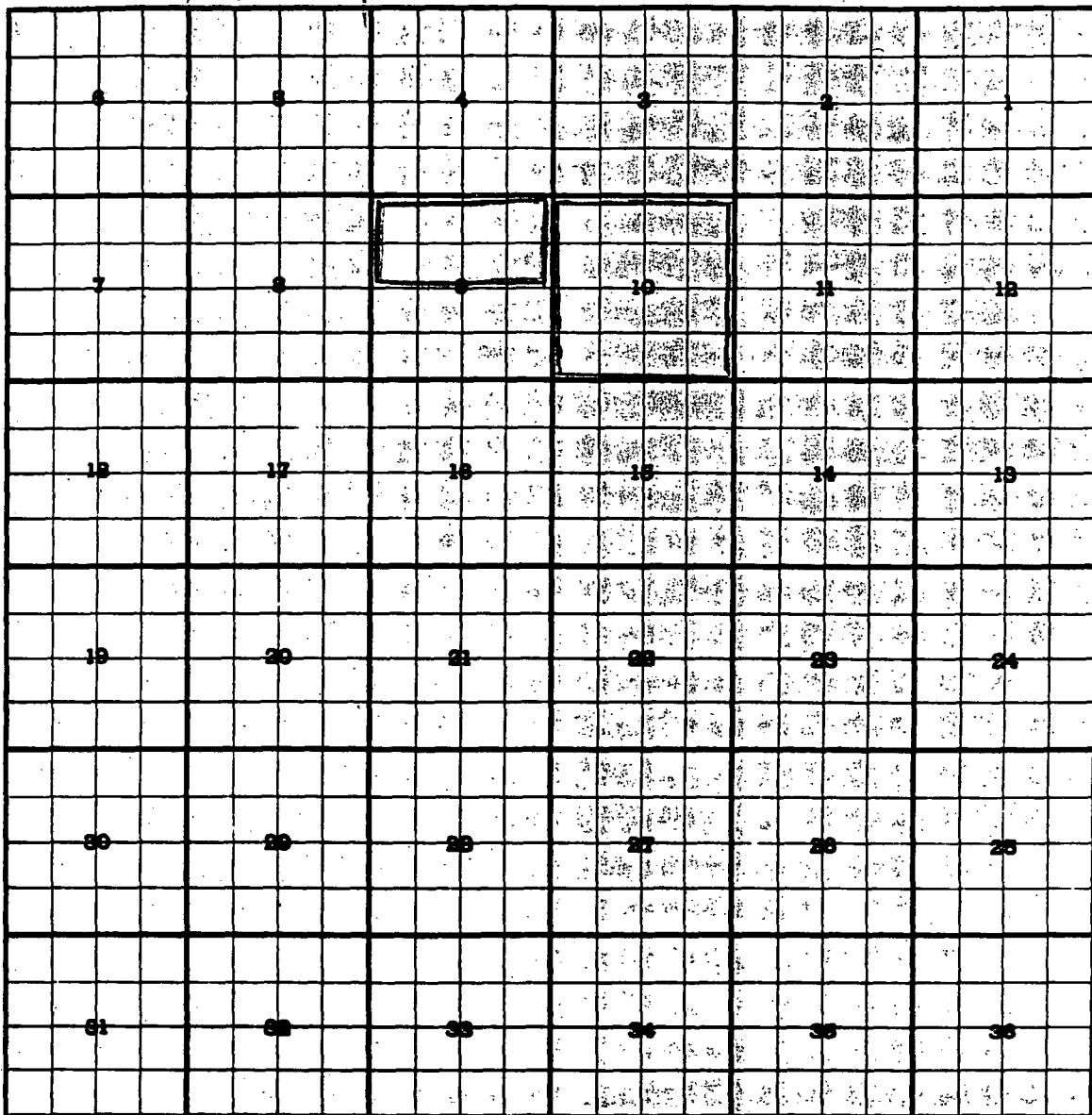
GEOLOGY BY	DATE	DRAWN BY	FILE NO.

County ESSEX

Pool RUSTLER BLUFF MORROW &

TOWNSHIP 25 South, RANGE 29 East

NEW MEXICO PRINCIPAL MERIDIAN

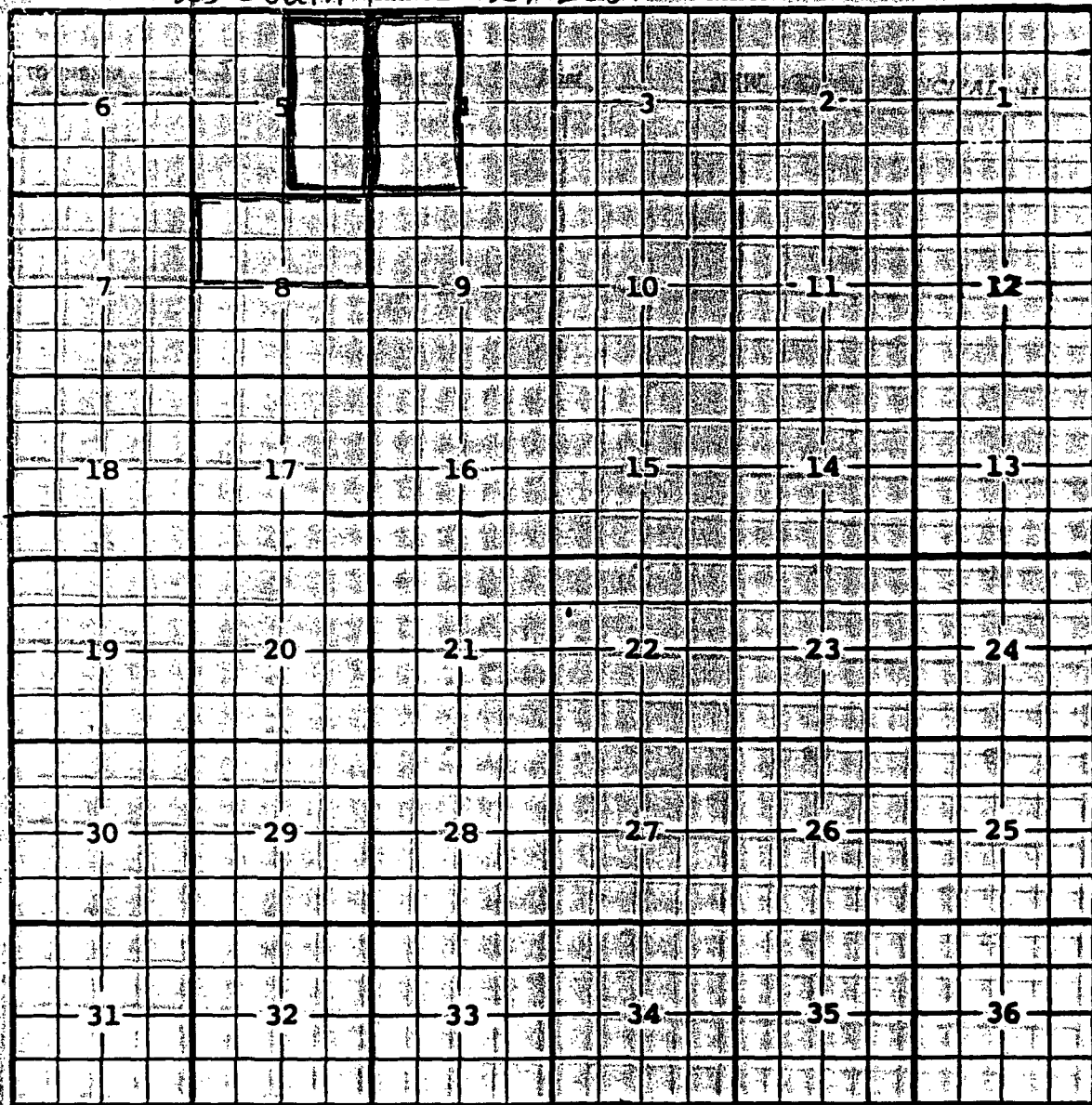


DESC: $\frac{1}{2}$ SEC 9 (R-8627, 4-1-88) EXT: ALL SEC 10 (R-9134, 4-1-90)

COUNTY Eddy POOL Rustler Bluff-Atoka Gas

MORROW

TOWNSHIP 25 South RANGE 29 East NMPM



Description: E $\frac{1}{2}$ Sec. 5 (R-8312, 10-9-86) EXT. W $\frac{1}{2}$ Sec. 4 (R-8747, 9/19/88)

EXT. N $\frac{1}{2}$ Sec. 8 (R-9134, 4-1-90)

EXT. N $\frac{1}{2}$ Sec. 10 (R-9134, 4-1-90)

COUNTY EddyPOOL Salt Draw - Atoka Gas

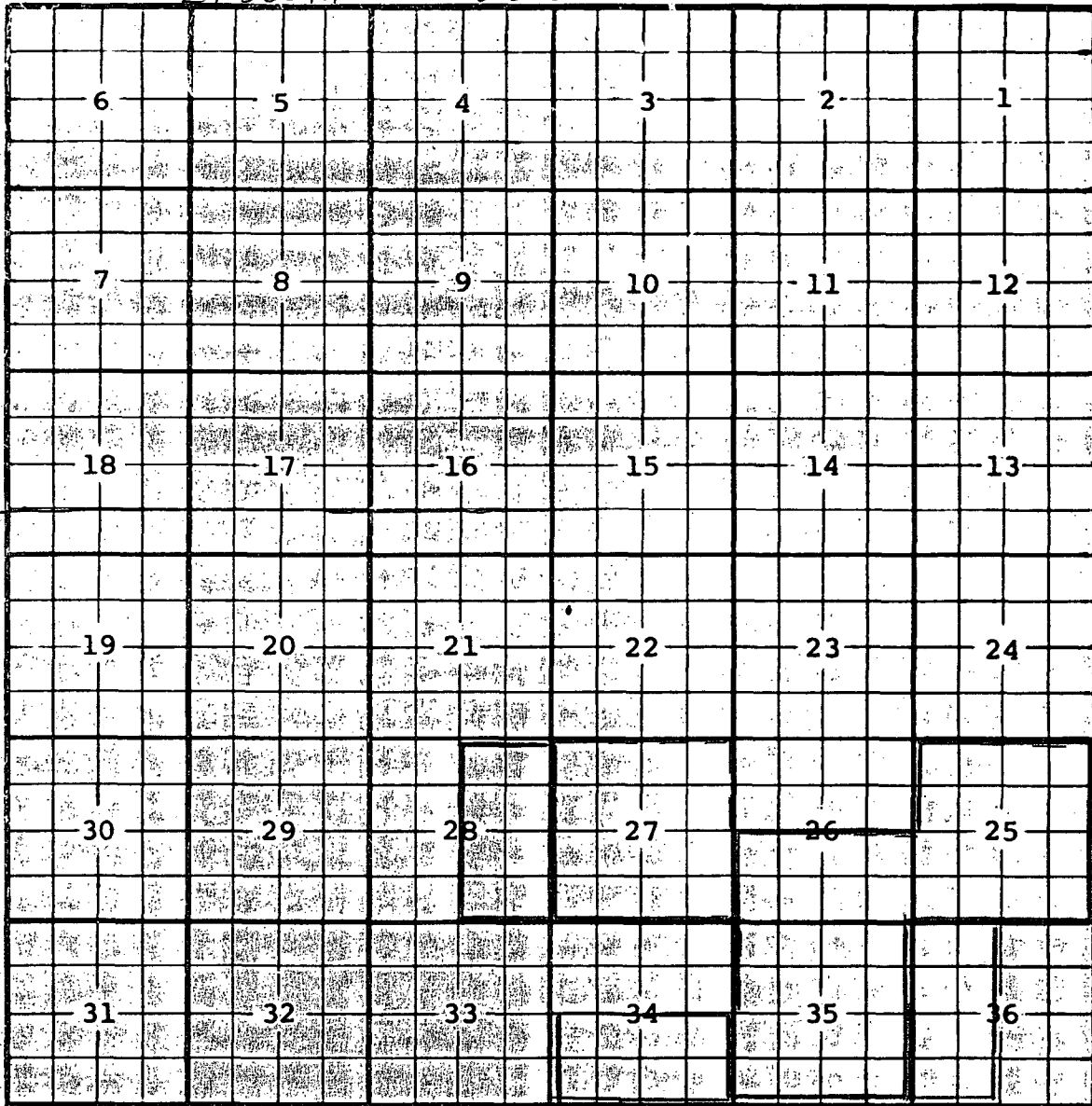
TOWNSHIP

24 South

RANGE

28 East

NMPM



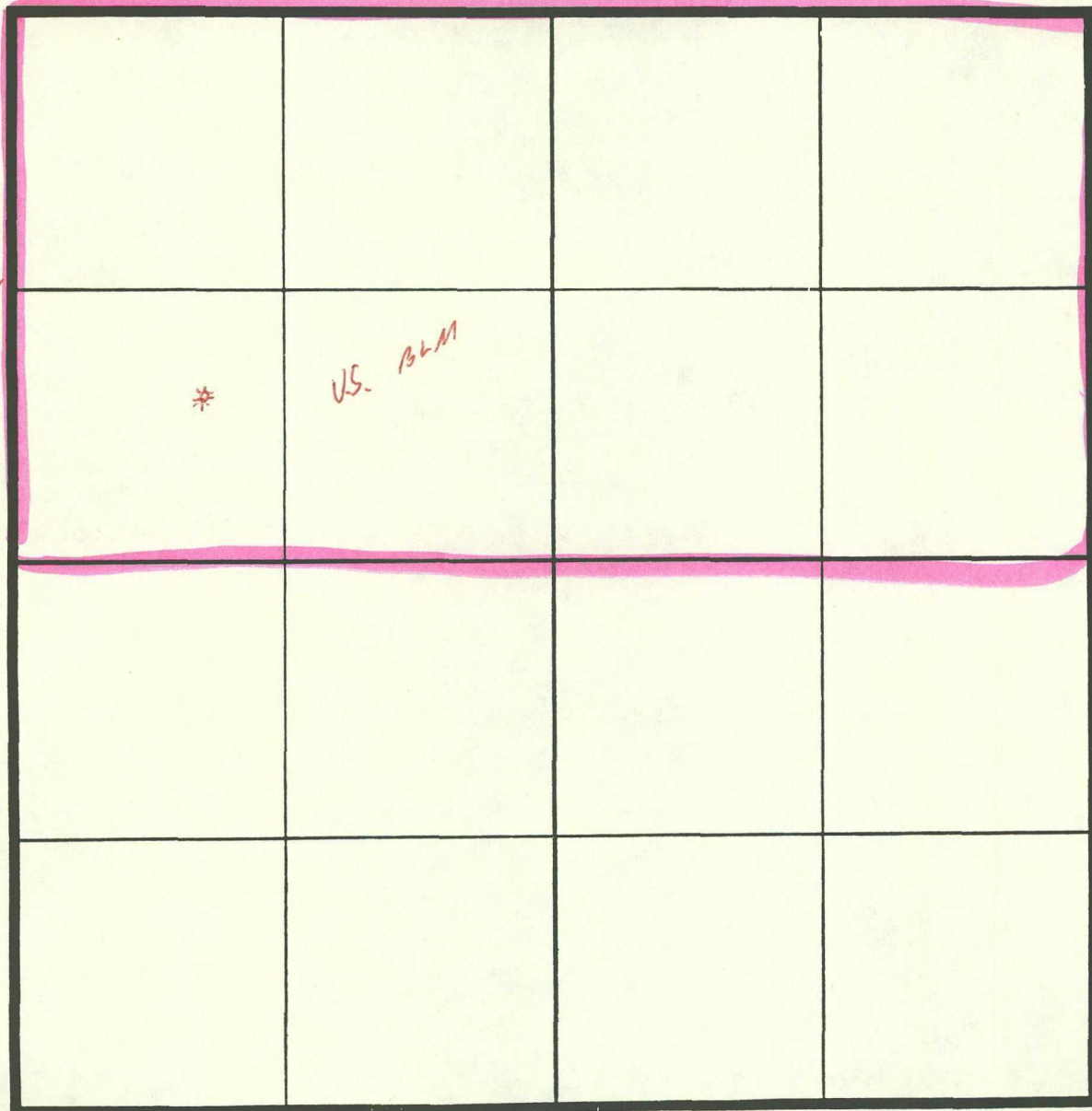
Description: $\frac{5}{2}$ Sec. 34 (R-7722, 8-1-83)

Ext: All Sec. 25, $\frac{5}{2}$ Sec. 26, All Sec. 35 (R-7785, 1-12-85)

Ext: All Sec. 27 (R-8317, 10-9-86) EXT: $\frac{5}{2}$ Sec 36 (R-8747, 9/19/88)

EXT: $\frac{5}{2}$ SEC 28 (R-9171, 6-1-90)

Sec. 32 Township No. 24 S of Range No. 29 E



1880' FWL
990' FWL

