

*NM & O Operating Company*

OIL CONSERVATION DIVISION  
RECEIVED

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23 WEST 4TH, SUITE 900  
TULSA, OK 74103-5094  
(918) 584-3802

May 6, 1992

Mr. William Lemay  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504

RE: Koon No. 1 Well, located 990' FSL and 990' FEL of Section  
14, Township 25 North, Range 2 West, N.M.P.M., Rio Arriba  
County, New Mexico

Dear Mr. Lemay:

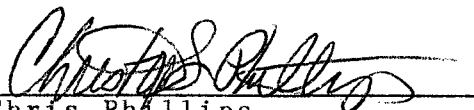
NM&O Operating Company ("NM&O") is operator of the above well, which was originally completed in the Gavilan-Pictured Cliffs Pool. NM&O wishes to recomplate the well uphole in the Basin-Fruitland Coal Gas Pool. Because the well is located in the SE/4 of Section 14, NM&O requests administrative approval of the unorthodox location pursuant to Rule 8 of Order No. R-8768, as amended. The E/2 of Section 14 will be dedicated to the well. Attached hereto is a land plat showing the proposed well unit, identifying ownership of all leases offsetting the well unit, and identifying wells on those leases.

Notice of this request has been given by certified mail to all operators or owners offsetting the proposed well unit. A copy of the notice letter is attached hereto.

Very truly yours,

NM&O Operating Company

BY:

  
Chris Phillips  
Vice President

CP/sm  
Enclosure(s)

EXHIBIT "A"  
OFFSET OPERATORS

Mallon Oil Company  
1099 18th Street, Suite 2750  
Denver, CO 80202-1927

E. L. Fundingsland  
P.O. Box 1157  
Littleton, CO 80160-1157

May 6, 1992

TO: Persons on Exhibit A

Pursuant to Rule 8 of OCD Order No. R-8768, as amended, attached is an application for administrative approval of an unorthodox well location for the Koon No. 1 Well, in the E/2 of Section 14-T25N-R2W. If you do not object to the application, we ask that you sign and return a copy of this letter to us.

Very truly yours,

NM&O Operating Company

BY:



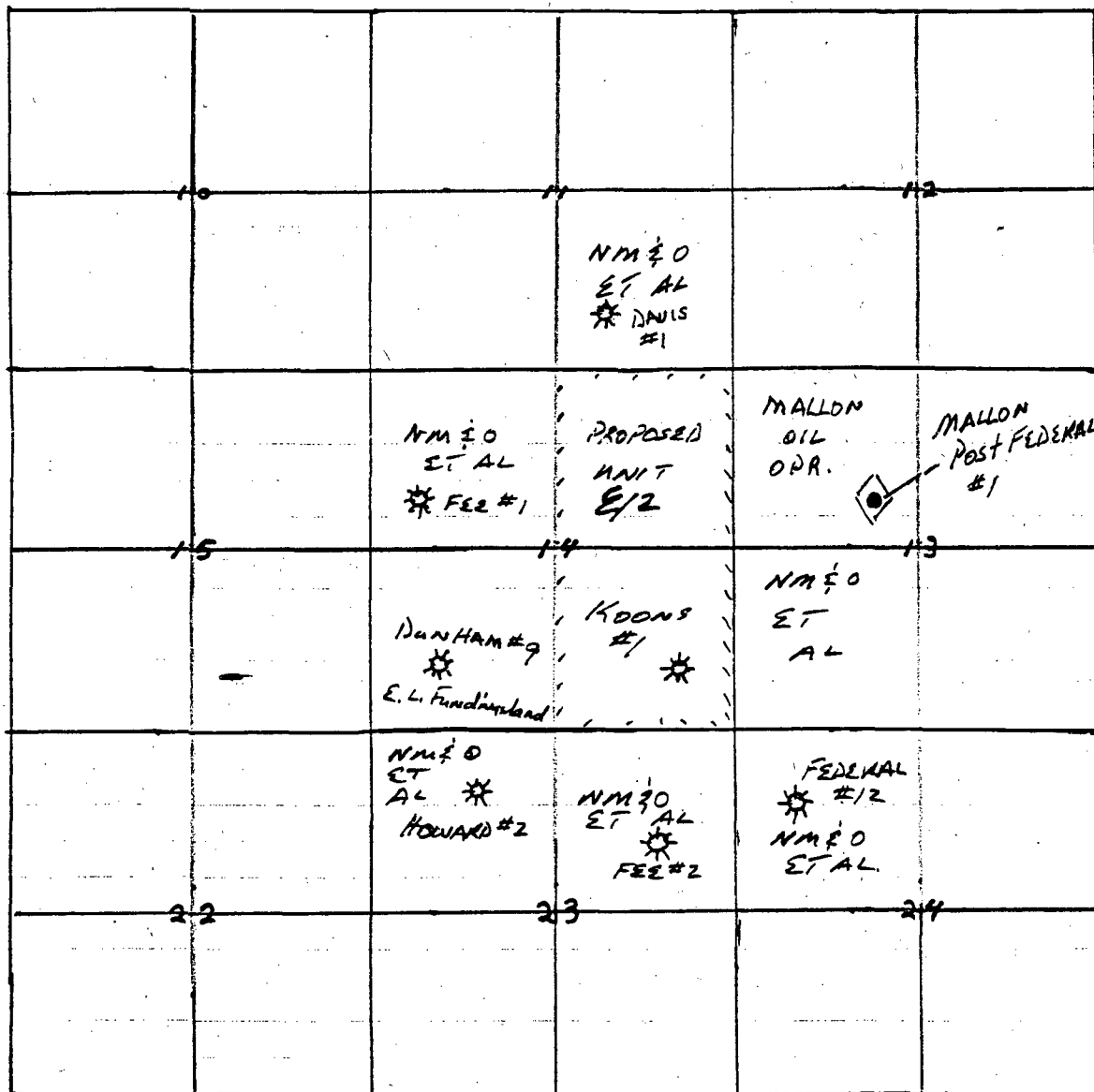
Chris Phillips, Vice President

Objection Waived

\_\_\_\_\_  
Company

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date



TOWNSHIP 25N - RANGE 2W  
 PRO ARriba, NEW MEXICO




ATTACHMENT / LAND PLAT PROPOSED UNIT  
 E/2 SECTION 14 - T25N-R2W  
 KOON #1 WELL  
 990' FSL & 990' FEL

OFFSET OPERATORS & /R OWNERS

PREPARED BY: Chris Phillips  
 DATE: May 6, 1992  
 COMPANY: NMEO OPERATING COMPANY

Sec. 14 Township No. 25 NORTH of Range No. 2 WEST

Standard 640 acre Section

	NM+O Operating Co. Fec Well No. 1 1980' FNL - 660' FNL Spud: 10/20/48 T.D. - 3492 Gavilan Pictured Cliffs Completion		
		NM+O Operating Co. Keon Well No. 1 990' FSL + EL Spud: 7/9/52 T.D. - 3525' Gavilan Pictured Cliffs completion <del>Completion</del> Jan. 1992 recompleted up hole to the Basin Fordland Coal Gas Pool @ 3322' - 3390'.	
			

E. L. Fundingsland

G. Dunham Well No. 9

890' FSL - 920' FNL

Spud: 1962

Gavilan Pictured Cliffs Completion