

MSL-CAS. N11



PHILLIPS PETROLEUM COMPANY

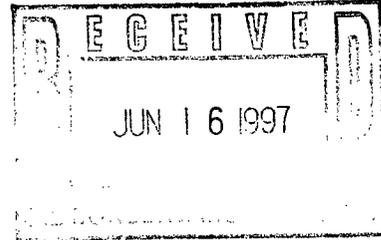
ODESSA, TEXAS 79762
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP
Permian Basin Region

June 13, 1997

Request for Unorthodox Location
Grayburg Deep Unit Well No. 14
Undesignated - Morrow
Eddy County, New Mexico

State of New Mexico
Energy, Minerals, and Natural Resources
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87504



Attention: Michael Stogner, Hearings Examiner

Gentlemen:

Phillips Petroleum Company respectfully requests administrative approval for an unorthodox location for the subject well based on geological considerations. It is understood the well is to be located 868' FNL and 1062' FWL in Unit Letter D, Section 25, T-17-S, R-29-E, Eddy County, New Mexico with a N/2 320 acre proration unit. NMOCD Form C-102 Attached.

Under the provisions of NMOCD Rule 104.F (3) attached is the information requested for the geological exhibits. Phillips Petroleum Company is the operator of all spacing unit surrounding the N/2 of Section 25, therefore there is no requirement to notify offset operators.

If any additional information is need, please contact me at the letterhead address or telephone (915) 368-1488.

Sincerely,

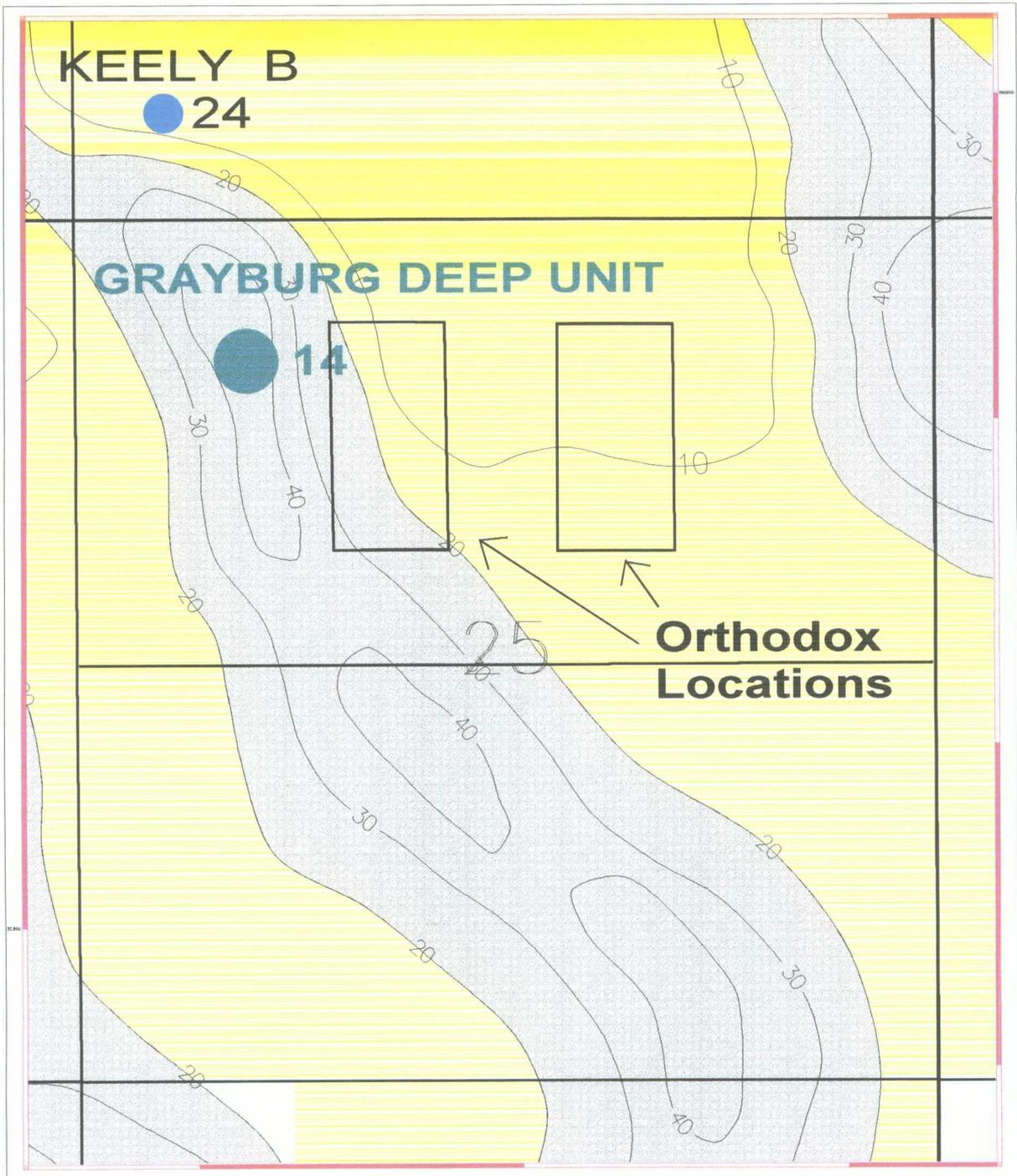
L. M. Sanders,
Senior Regulations Analyst

LMS:ls

cc: NMOCD at Artesia
BLM at Carlsbad.

Geologic Justification for the Unorthodox Location of the Grayburg Deep No. 14
868'FNL,1062 ' FWL Section 25 , T17S,R29E, Eddy County New Mexico.

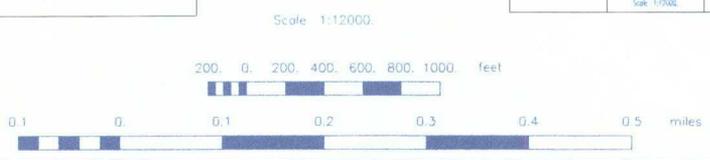
The Grayburg Deep #14 exploration well is located to test a northwest trending Morrow sand channel play. Previous mapping in the area showed that the Morrow channels are usually less than one-fourth mile wide and are following regional dip . The best location to test this Morrow channel sand in the 320 acre north lay-down in Section 25 is to the west and outside of the orthodox location boxes (see attached plat). Morrow sands are anticipated to have over 40 of net pay sand at the Grayburg Deep #14 location. The sands will thin and lose their reservoir quality to the east and west.



LEGEND

| | |
|---|------------------------|
| ● | Phillips Proposed Well |
| ● | Wells with TD >10000 |

| | | |
|----------------------------------|---------------|-------------------------|
| Phillips Petroleum | | |
| LOGO HILLS MORROW NET PAY MAP | | |
| 1 Kilometre | Scale 1:12000 | 1/27/77 16-93164.gri |



DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P.O. Box 2088

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------|---------------------------------------------|-----------------------|
| API Number | Pool Code | Pool Name |
| | | Undesignated - Morrow |
| Property Code 009090 | Property Name GRAYBURG DEEP UNIT | Well Number 14 |
| OGRID No. 017643 | Operator Name PHILLIPS PETROLEUM COMPANY | Elevation 3594 |

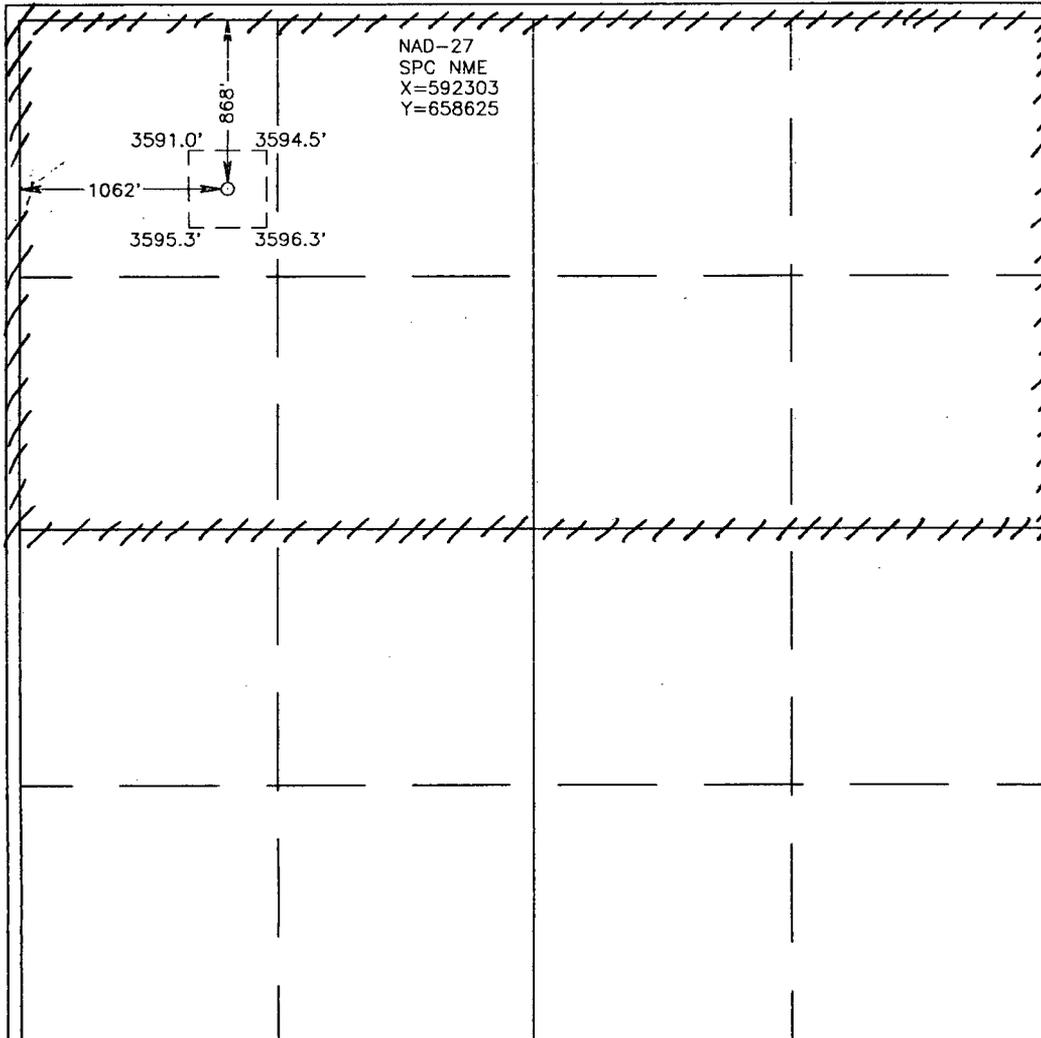
Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 25 | 17 S | 29 E | | 868 | NORTH | 1062 | WEST | EDDY |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. | | | | | | |
| 320 Ac. | | | | | | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

L. M. Sanders
Signature

L. M. Sanders
Printed Name

Sr. Regulations Analyst
Title

June 13, 1997
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

MAY 14, 1997

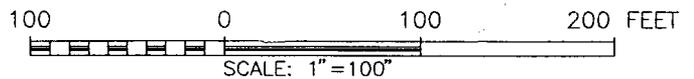
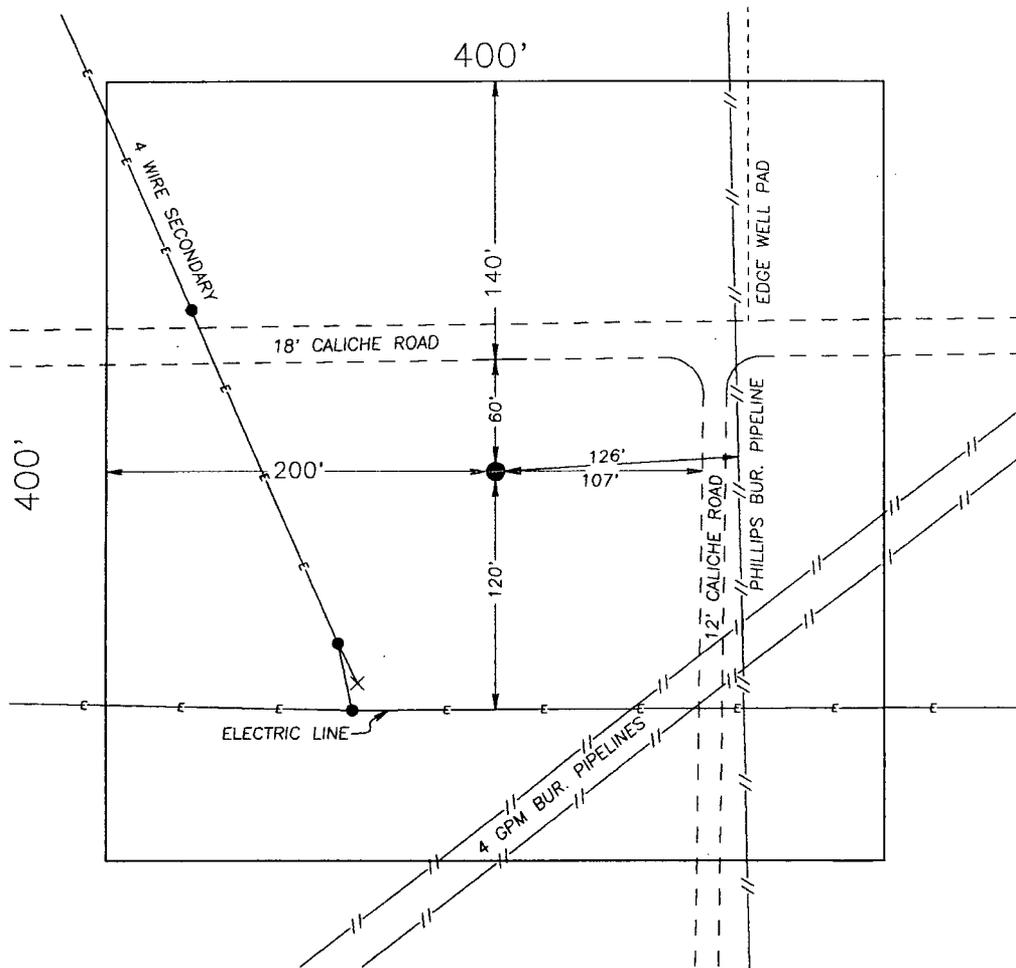
Date Surveyed _____ DMCC

Signature & Seal of _____
Professional Surveyor

Ronald J. Eidson
97-11-0827

Certificate No. JOHN W. WEST 676
RONALD J. EIDSON 3239
GARY EIDSON 12641

SECTION 25, TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY NEW MEXICO.



PHILLIPS PETROLEUM COMPANY

THE GRAYBURG DEEP UNIT #14
 LOCATED 868 FEET FROM THE NORTH LINE
 AND 1062 FEET FROM THE WEST LINE OF
 SECTION 25, TOWNSHIP 17 SOUTH,
 RANGE 29 EAST, N.M.P.M.,
 EDDY COUNTY, NEW MEXICO.

| | |
|-------------------------|-----------------------|
| Survey Date: 5/13-14/97 | Sheet 1 of 1 Sheets |
| W.O. Number: 97-11-0827 | Drawn By: D. McCARLEY |
| Date: 5/16/97 | DISK: PHILLIPS |
| | PHILO827 |

JOHN W. WEST ENGINEERING COMPANY
 CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP
Permian Basin Region

June 13, 1997

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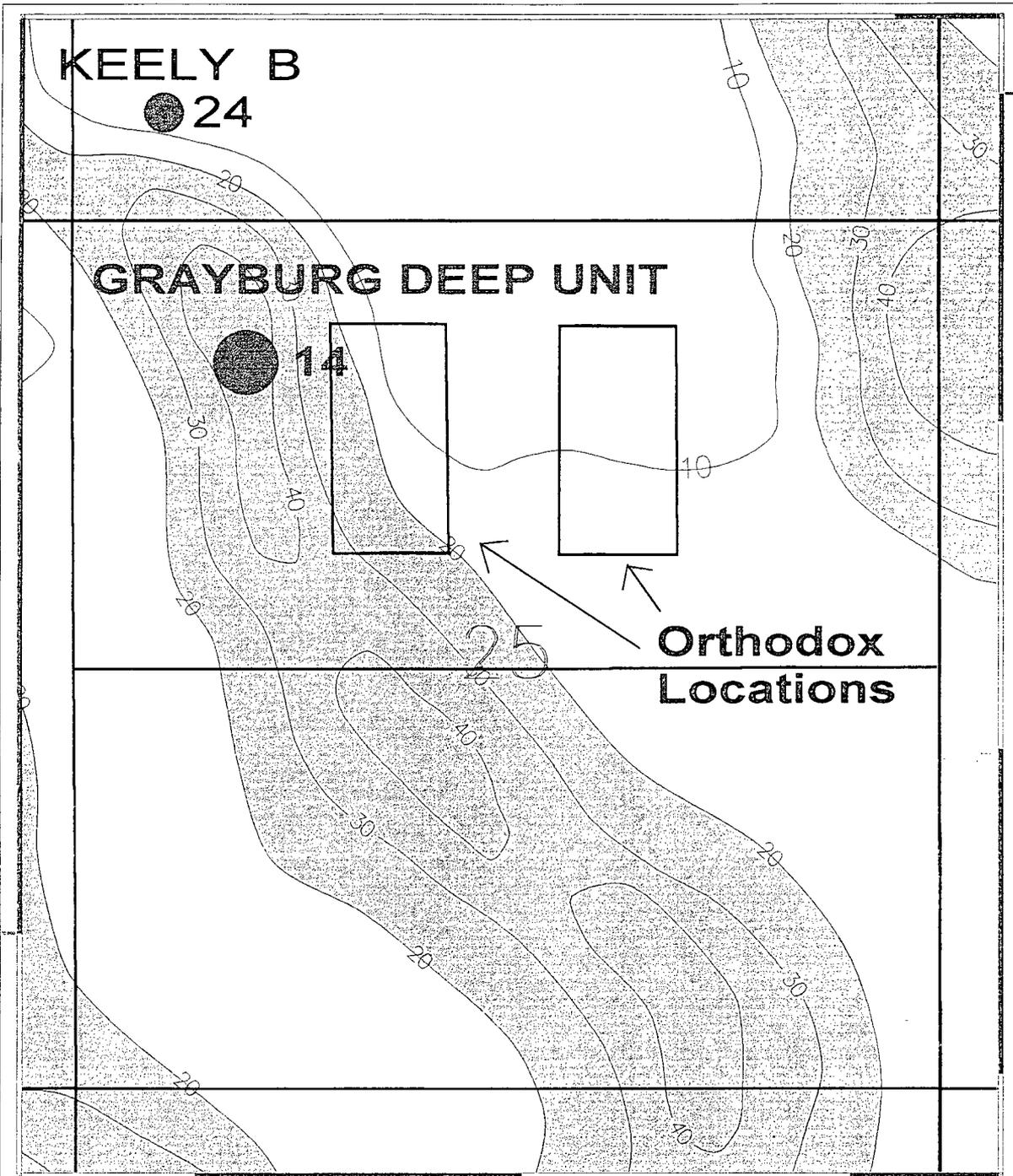
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868'FNL,1062 ' FWL Section 25 , T17S,R29E, Eddy County New Mexico.

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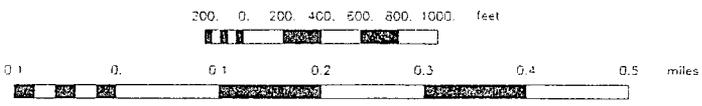
LEGEND

- Phillips Proposed Well
- Wells with TD >10000

Philips Petroleum
 LOGO HILLS
 MORGAN NET PAY MAP

| | | |
|------|-------------|-------------|
| DATE | 1/19/62 | 1/2/67 |
| BY | W. J. H. G. | W. J. H. G. |

Scale 1:12000.



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Energy, Minerals and Natural Resources Department

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OIL CONSERVATION DIVISION
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WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|---------------|--|----------------------------|-------------|
| API Number | | Pool Code | Pool Name |
| Property Code | | Property Name | Well Number |
| OGRID No. | | Operator Name | Elevation |
| 009090 | | GRAYBURG DEEP UNIT | 14 |
| 017643 | | PHILLIPS PETROLEUM COMPANY | 3594 |

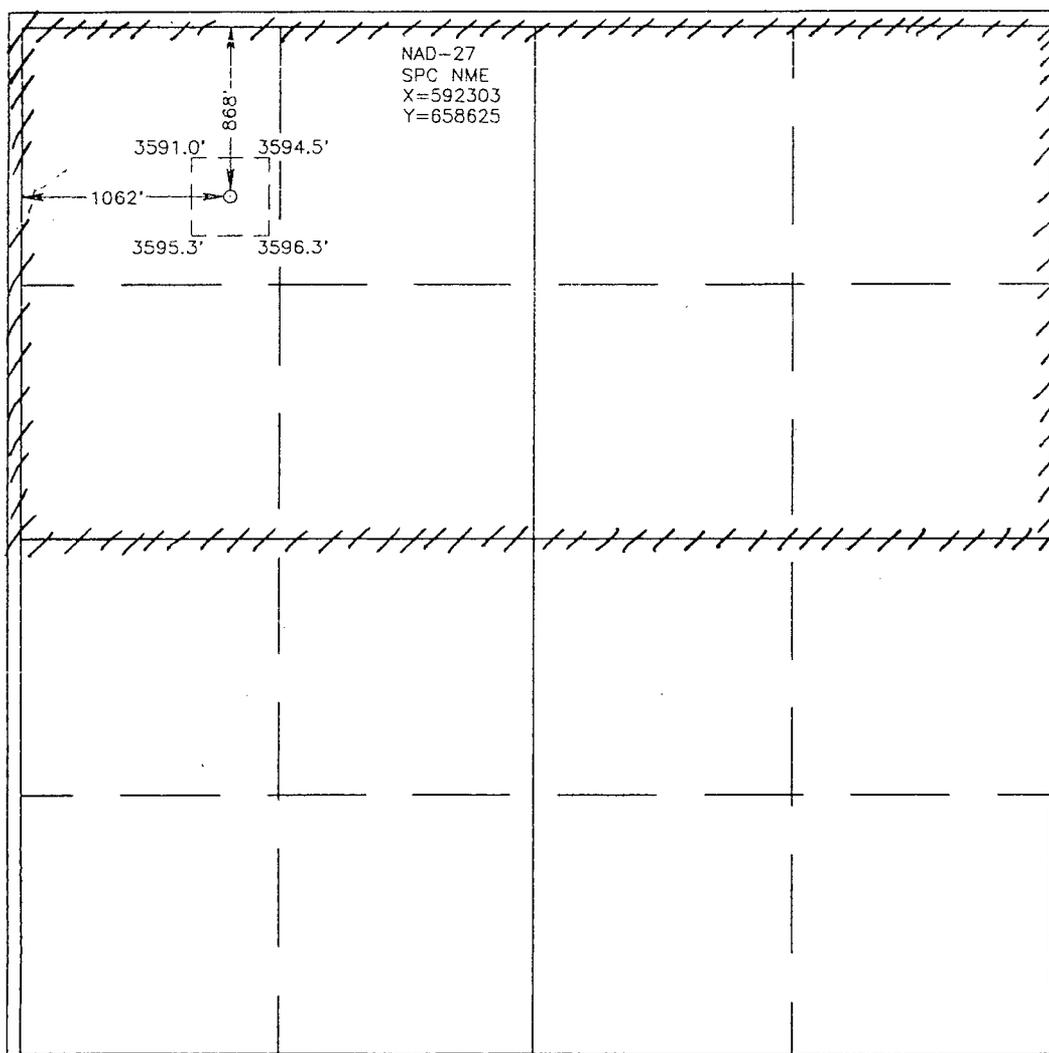
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|-----------------|---------|-----------------|--------------------|-----------|---------------|------------------|---------------|----------------|--------|
| Dedicated Acres | | Joint or Infill | Consolidation Code | Order No. | | | | | |
| 320 Ac. | | | | | | | | | |

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OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

L. M. Sanders
Signature

L. M. Sanders
Printed Name

Sr. Regulations Analyst
Title

June 13, 1997
Date

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I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

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Date Surveyed

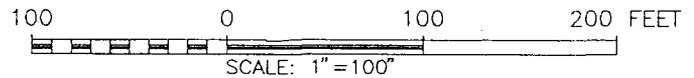
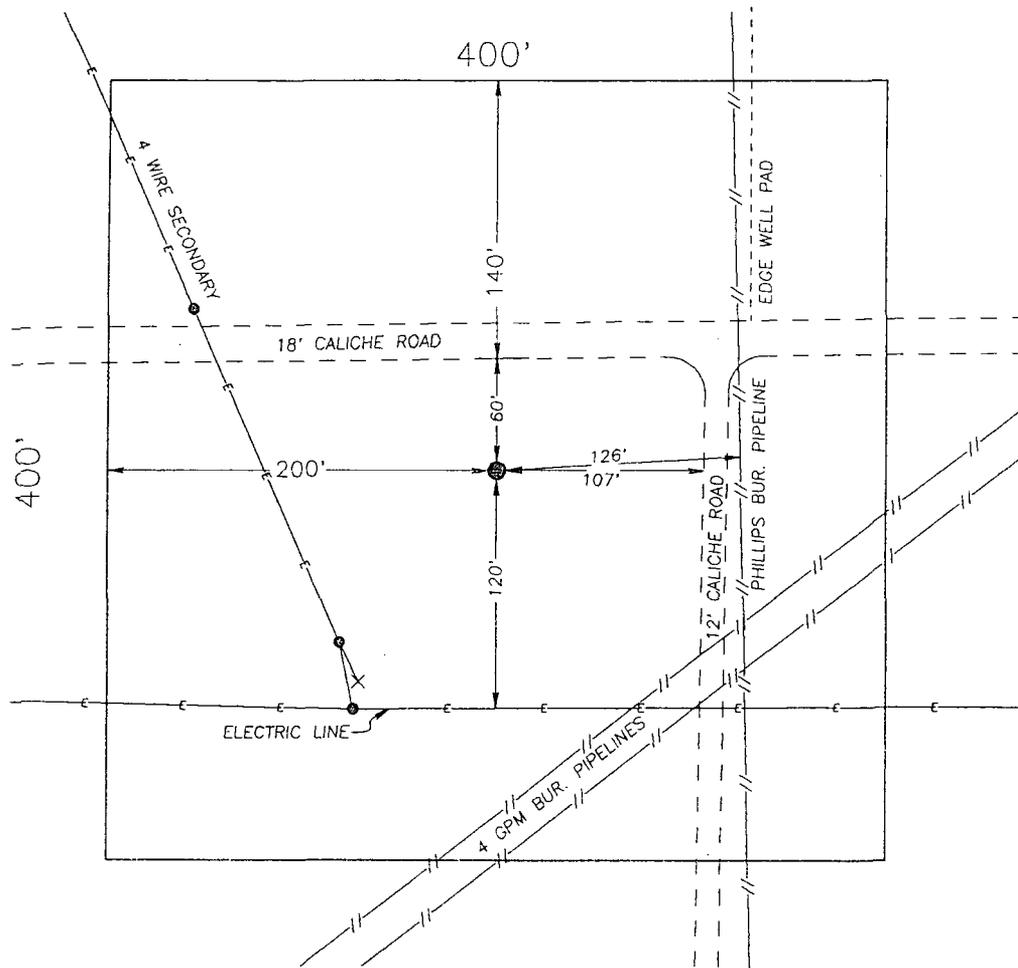
DMCC

Signature & Seal of Professional Surveyor

Gary E. Eason
97-11-0827

Certificate No. JOHN W. WEST 676
RONALD J. EIDSON 3239
GARY E. EASON 12641

SECTION 25, TOWNSHIP 17 SOUTH, RANGE 29 EAST, N.M.P.M.,
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| W.O. Number: 97-11-0827 | Drawn By: D. McCARLEY |
| Date: 5/16/97 | DISK: PHILLIPS PHIL0827 |

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 CONSULTING ENGINEERS & SURVEYORS - HOBBS, NEW MEXICO

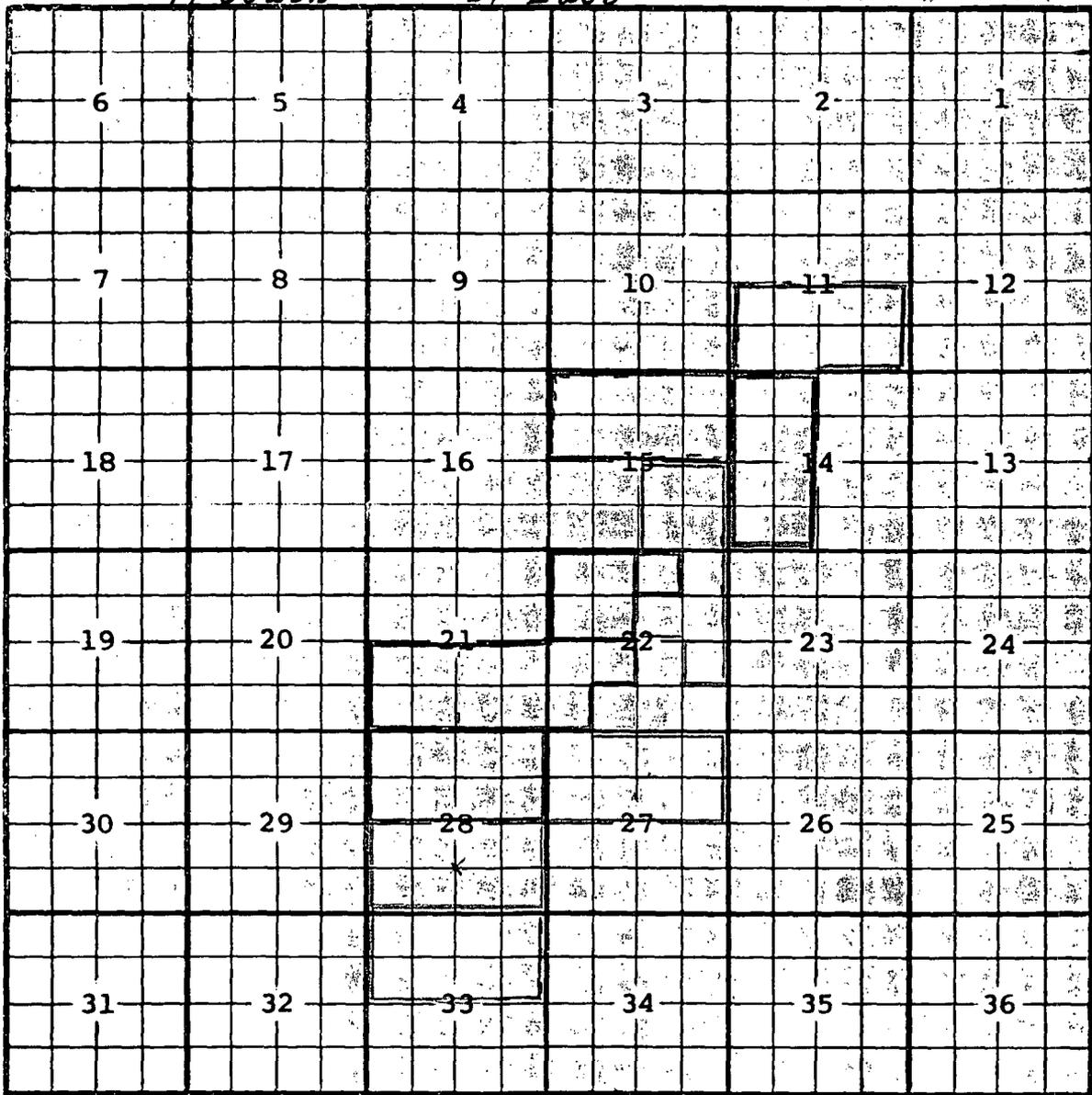
COUNTY Eddy

POOL Morrow Grayburg ~~Atoka~~ Gas

TOWNSHIP 17-South

RANGE 29-East

NMPM



Description: NW/4 Sec. 22, (R-1129, 2-20-58).
 Redefine vertical limits as Morrow formation and redesignate (R-4137, 5-6-71)
 Ext: S/2 Sec. 21; NW/4 NE/4 SW/4 SE/4 Sec. 22 (R-4232, 1-1-72)
 - N/2 Sec. 28 (R-4540, 6-1-73). Ext: S/2 Sec. 28 (R-4734, 3-1-74)
 Ext: SE/4 Sec 15, E/2 NE/4, SW/4 NE/4 & NE/4 SE/4 Sec 22 (R-4809, 6-18-74)
 Ext: N/2 Sec 33 (R-4937, 2-1-75) Ext: N/2 Sec 27 (R-5511, 9-1-77)
 EXT: W/2 SEC 14 (R-9171, 6-1-90) EXT: N/2 SEC 15 (R-9418, 2-1-91)
 Ext: S/2 Sec. 11 (R-9578, 9-10-91)