

Received 3/20/78



17517-1090

March 20, 1978

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: 124 B II

Attention: D. S. Nutter, Chief Engineer

OK Today AM

RE: #2 Diamond Mound Federal
9000' Morrow Test
1980' FSL & 1980' FEL
Section 1, T16S, R27E
Eddy County, New Mexico
Mesa OP 05-NM-0947-5

Gentlemen:

We respectfully ask for administrative approval of a proposed non-standard drilling unit comprised of lots 15 & 16 and the SE/4 of the captioned section, totalling approximately 240 acres. Approval of this proposal of designation of acreage for the captioned well's drilling unit is needed as soon as possible so that we may inform Mr. James A. Knauf, USGS District Engineer in Artesia, of your approval in order to get the drilling permit approved by him.

Please be advised that Mesa Petroleum Co., owner of an undivided interest, is the administrator of the leases covering all of Section 1 and the offset sections 2, 11 and 12, T16S, R27E. In support of our request for administrative approval, we are enclosing a letter from Northern Natural Gas Co., operator of the #1 Vandagriff Federal well offsetting our proposed location, waving any objection to the proposed non-standard drilling unit. Also as a matter of interest Northern Natural will be our partner in drilling the captioned well.

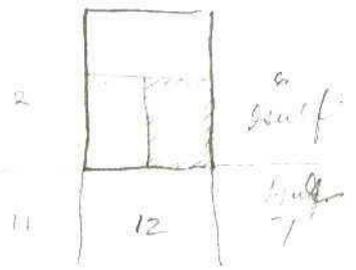
We will greatly appreciate expeditious handling of this matter, including a phone call to Mr. Knauf advising of your approval as soon as possible. We have contracted for a drilling rig to move onto this location during the second or third week of April, 1978. Please advise if there are any questions.

Very truly yours,

Robert R. Donnelly

RRD/jg
Enclosures;
Copies to: James A. Knauf; Northern Natural Gas Co. and Olan F. Featherstone II

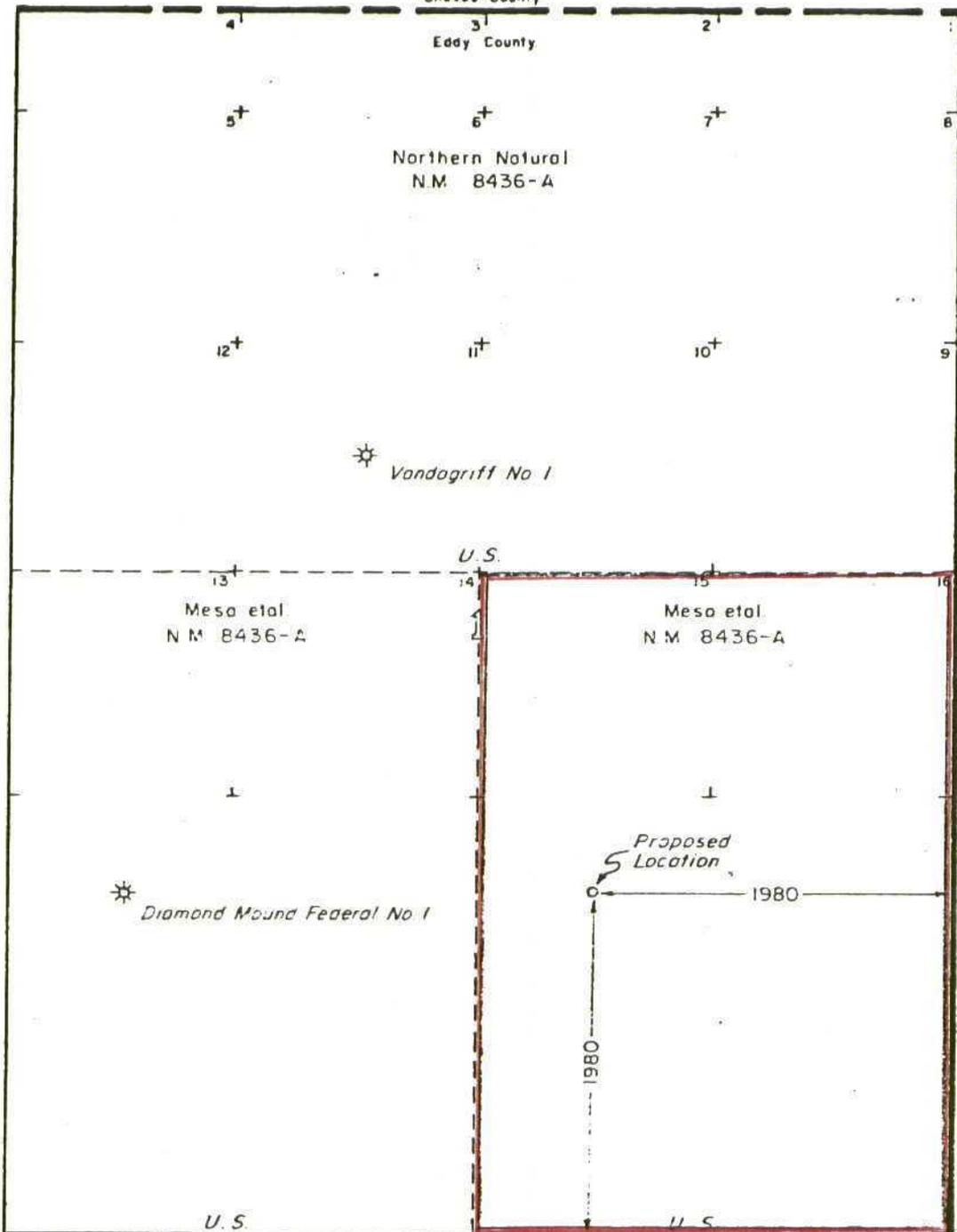
MESA PETROLEUM CO.
 DIAMOND MOUND FEDERAL
 NO. 2



R 27 E

Cheves County

Eddy County



Gulf



Exploration Division
403 Wall Towers West
Midland, Texas 79701
Phone (915) 682-3711



C. F. Keller
Exploration Manager

March 20, 1978

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. D. S. Nutter, Chief Engineer

Re: #2 Diamond Mound Federal
1980' FS&EL Section 1, 16S, 27E
Eddy County, New Mexico

Gentlemen:

Please accept this letter as our waiver of any objections to Mesa Petroleum Co.'s proposed non-standard drilling unit comprised of Lots 15 and 16 and SE 160 acres of Section 1, 16S, 27E, Eddy County, New Mexico. Northern is the operator of the #1 Vandagriff Federal, a shut-in gas well located 2560' FNL and 1980' FWL of said Section 1. We are also working interest partners with Mesa in the captioned well.

Please advise if anything further is needed in this regard.

Very truly yours,

NORTHERN NATURAL GAS COMPANY


Charles F. Keller
Authorized Agent

sc

xc: Mesa Petroleum Co.
1000 Vaughn Building
Midland, Texas 79701