

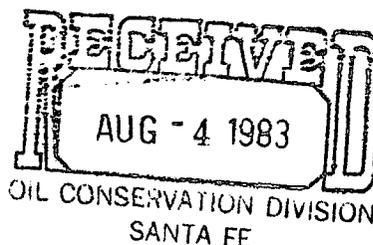


Mark K. Mosley  
Division Manager  
Production Department  
Hobbs Division  
North American Production

Conoco Inc.  
P. O. Box 460  
726 E. Michigan  
Hobbs, NM 88240  
(505) 393-4141

*NSP(L) 1402 NSP  
Rule 5 (C) R 1670 NSP  
& Rule 3 R 1670 NSP  
9-3-83*

July 26, 1983



State of New Mexico  
Energy and Minerals Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87501

Attn: Joe D. Ramey

RE: UNORTHODOX LOCATION AND NON-STANDARD PRORATION UNIT - SHOLES A AC/1, WELL NO. 5; 2310' FSL & 330' FEL OF SECTION 24, T-25S, R-36E, LEA COUNTY, NEW MEXICO

*160-acres Jalmat Gas Pool  
E/2 E/2 Sec 24*

Gentlemen:

Conoco Inc. respectfully requests administrative approval for an unorthodox location and a 160 acre non-standard unit for the subject well. This request is necessary for the recompletion of a previously drilled well at an orthodox location. The Sholes A AC/1 No. 5 was drilled as a Grayburg-San Andres single oil well and was non-commercial in this horizon. It is proposed to recomplete the well as a gas well in the Jalmat Yates Gas pool. The proposed non-standard proration unit will consist of the East half of the East half of Section 24.

The proposed unit will comply with the following regulatory requirements:

- (1) said unit consists of contiguous quarter-quarter sections and/or lots;
- (2) said unit lies wholly within a single governmental section;
- (3) the entire proposed unit may be reasonably presumed to be productive of gas;
- (4) the length or width of said unit does not exceed 5,280 feet;
- (5) copies of this application have been furnished by certified mail to all offset operators and all operators within said section.

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Energy and Minerals Department  
Oil Conservation Division  
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Included with this application are plats showing the proposed unit, the ownership of offset leases and all wells completed thereon. An attachment illustrating the separation of perforated intervals for the existing oil wells and proposed gas completion is also included. Your consideration of this request will be appreciated.

Yours very truly,

A handwritten signature in cursive script, appearing to read "M. Masley".

CBB:ksh

Attachments

cc: NMOCD - Hobbs

Offset Operators

Antweil Oil Company  
Box 2010  
Hobbs, NM 88240

Aztec Oil & Gas Company  
Box 847  
Hobbs, NM 88240

Maralo, Inc.  
P. O. Box 832  
Midland, TX 79702

Working Interest Owners

ARCO Oil & Gas Company  
P. O. Box 2819  
Dallas, TX 75221

Amoco Production Company  
P. O. Box 3029  
Houston, TX 77501

Chevron U.S.A., Inc.  
P. O. Box 599  
Denver, CO 80201

<u>WELL NAME</u>	<u>PERFORATED INTERVAL</u>	<u>PRODUCING FORMATION</u>
Sholes A No. 1	2868'-2970'	Seven Rivers
Sholes A No. 2	2938'-2946'	Seven Rivers
Sholes A No. 3	2892'-2948'	Seven Rivers
Sholes A No. 4	2878'-2899'	Seven Rivers

<u>WELL NAME</u>	<u>PROPOSED INTERVAL</u>	<u>PROPOSED FORMATION</u>
Sholes A AC/1 No. 5	2656'-2736'	Yates

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the corner boundaries of the Section

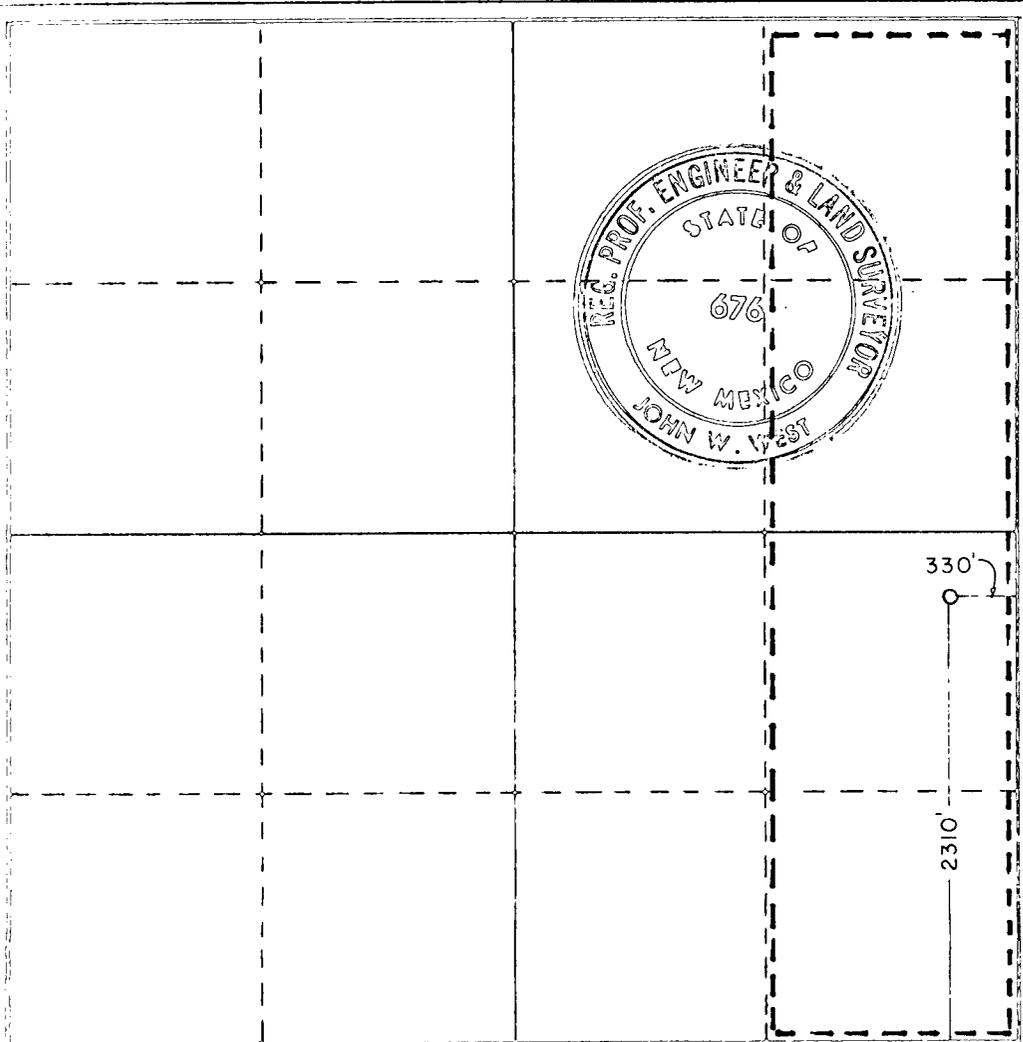
Operator <b>Conoco, Inc.</b>		Lease <b>Sholes A Account 1</b>		Well No. <b>5</b>
Unit Letter <b>I</b>	Section <b>24</b>	Township <b>25South</b>	Range <b>36East</b>	County <b>Lea</b>
Actual Footage Location of Well: <b>2310</b> feet from the <b>South</b> line and <b>330</b> feet from the <b>East</b> line				
Ground Level Elev. <b>3715.1</b>	Producing Formation <b>YATES</b>	Pool <b>JALMAT GAS</b>	Dedicated Acreage: <b>160</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name  
*John A. Butterfield*

Position  
**Administrative Supervisor**

Company  
**CONOCO INC.**

Date  
**7/26/83**

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 knowledge and belief.

Date Surveyed  
**July 11, 1981**

Registered Professional Engineer and/or Land Surveyor

*John W. West*

Certificate No. **6000 U. 0807** **070**  
**PATRICK A. DOMINGO** **0000**  
**RONALD J. HIGDON** **0239**

