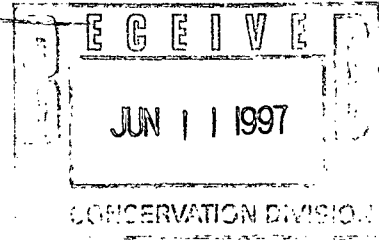


NSP(SD) 7/1/97

*Duke Oil & Gas, Inc.*  
*319 W. Broadway, Suite A*  
*Andrews, TX 79714*

May 29, 1997



New Mexico Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, NM 87504-2088

**APPLICATION FOR APPROVAL OF NON-STANDARD PRORATION UNIT  
AND SIMULTANEOUS DEDICATION**

Duke Oil & Gas, Inc. requests approval of a non-standard proration unit and simultaneous dedication in the Jalmat Tansil Yates 7-Rivers field. A proration of 40 acres is requested consisting of the SW/4 of the NE/4, Section 18, T-23-South, R-37-East, Lea County, NM. This will enable Duke Oil & Gas, Inc. to recomplete the Hughes B-4 No. 5 located 1980' FNL and 1980' FEL, Section 18, T-23-S, R-37-E, Lea County, NM to the Yates formation.

Duke Oil & Gas, Inc. also requests approval to join this new unit 40 acres consisting of the SW/4 of the SE/4, Section 18, T-23-S, R-37-E Lea County, NM, with the existing 80 acres unit granted by Administrative Order NSP-1406 (L).

Your early approval of a 40 acre NSPU would be greatly appreciated.

By copy of this letter all off-set operators have been informed of this application.  
Thank you.

Sincerely,  
Duke Oil & Gas, Inc.  
*M.A. Duke, Jr.*  
M.A. Duke, Jr.  
President

MAD/jd  
Enclosures

cc: Arco  
Conoco

District I  
PO Box 1980, Hobbs, NM 88341-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Bravo Rd., Alamogordo, NM 87419  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* APT Number 30-025-22660		* Pool Code 79240	* Pool Name JALMAT TANSILL YT 7 Rvrs(ProGas)
* Property Code 15832	* Property Name HUGHES B-4		* Well Number 5
* OGRID No. 159645	* Operator Name DUKE OIL & GAS, Inc.		* Elevation 3336

18 Surface Location

UL or lot no.	Section	Township	Range	Lot Id.	Feet from line	North/South line	Feet from line	East/West line	County
G	18	23-S	37-E		1980	North	1980	East	LEA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Id.	Feet from line	North/South line	Feet from line	East/West line	County

* Dedicated Acre	* Joint or In/In	* Consolidation Code	* Order No.

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

<p>16</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Marvin A. Duke, Jr.</i></p> <p>Signature Marvin A. Duke, Jr. Printed Name President Title 5-29-97 Date</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was placed 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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor: Certificate Number</p>

Texaco  
Maralo  
Tr. 7  
Meridian Oil  
Sun  
Getty King To 397  
W. H. King  
M. Deck Est. (S)

Maralo  
Meridian  
M. Deck Est (S)  
Shelly  
PENROSE B UNIT  
SIRGO OPER (OPER.)  
B. F. Harrison  
J. C. E. J. W. Wier (S)

Maralo  
Tr. 9  
Sims  
R. D. Sims, et al  
Somedan  
TEXACO  
Sims  
R. D. Sims, et al

Hartman  
Sun  
Richards  
H. D. Wier (S)  
D. Hartman  
Hartman  
Conoco  
030556  
"Stevens"  
Cont'l "B-12"  
U.S. M. I.  
"Stevens"  
U.S. M. I.  
J. C. E. J. W. Wier (S)

W. A. Chah  
Gulf  
Chevron  
Davis  
Flag  
Redfern  
Tr. 14  
W. B. Black  
Skelly  
Nippod  
Cent. (ARCO DISC)  
Sun  
Tr. 17  
J. C. E. J. W. Wier (S)  
Tr. 18  
Alpha 21  
Lea

TEXACO  
Sims  
R. D. Sims, et al  
Somedan  
Hughes  
U.S.  
Tr. 13  
B. F. Harrison  
J. C. E. J. W. Wier (S)

Cont'l, et al  
030556  
Somedan  
Hughes  
Fed  
ARCO  
"WN"  
14.9 M. I.  
Stevens  
A.R.C.O.  
037726  
U.S. M. I.  
Andrew Fed  
Duthie Andrews  
J. T. Dinwiddie (S)

Somedan  
Hughes  
Somedan  
Hughes  
U.S.  
E. L. Steeler  
Somedan  
G. W. Wier (S)  
Hughes  
U.S. M. I.

LANGLIE  
PENROSE (Q.N.S.D.) UNIT  
MATTIX "B-4"  
Q.N.S.D. UNIT  
Somedan  
Hughes  
U.S.  
Cornell  
O. I. S. (M)  
(Skelly)  
Kelly State  
Amer. Expt  
Francis  
Texaco  
23

BE Friezell  
2244  
054453 (A11)  
Rich  
Hughes  
Duthie Andrews  
U.S. M. I.  
J. T. Dinwiddie (S)  
ARCO  
"WN"  
7.4 Mil.  
J. H. Hendrix  
To 3000  
Martha E. Steeler  
(well)

Getty  
Hughes  
Fed  
Penroc Oil  
113426  
G. W.  
Nearb  
Resler  
ARCO  
(A11 Rich)  
Sreeler  
P. Dison  
Greeta  
T/O 9710  
4-A  
P90 Ber

Chevron  
Ain-Drig  
Penroc  
Gulf  
Romo  
OEG  
Chevron  
7.2 Mil. 11.020187

Duke Oil & Gas, Inc.  
Hughes "B-4" Well No. 5  
Application for Non-Standard Gas Proration Unit

OFF-SET OPERATORS

ARCO  
P.O. Box 308  
ARCO Building  
Independence, KS 67301

Conoco, Inc.  
10 Desta Dr. Ste. 100W  
Midland, TX 79705

*Duke Oil & Gas, Inc.*  
*319 W. Broadway, Suite A*  
*Andrews, TX 79714*

May 29, 1997

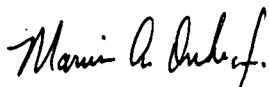
Conoco, Inc,  
10 Desta Dr. Ste. 100W  
Midland, TX 79705

Dear Sir,

Enclosed for your information is a copy of application filed for a 40 acre non-standard gas proration unit on Hughes "B-4" Well No. 5 with the State of New Mexico, Oil Conservation Division.

If additional information is needed, please let us know at your earliest convenience.

Sincerely,



Marvin A. Duke, Jr.

P 161 610 521

US Postal Service  
**Receipt for Certified Mail**  
No Insurance Coverage Provided.  
Do not use for International Mail (See reverse)

Sent to	Conoco, Inc.
Street & Number	10 Desta Dr. Ste. 100W
Post Office, State, & ZIP Code	Midland, TX 79705
Postage	\$ 55
Certified Fee	110
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 165
Postmark or Date	MAY 30 1997 ANDREWS TX 79714

PS Form 3800, April 1995

*Duke Oil & Gas, Inc.*  
*319 W. Broadway, Suite A*  
*Andrews, TX 79714*

May 29, 1997

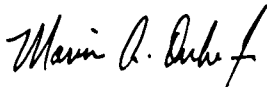
ARCO  
P.O. Box 308  
ARCO Building  
Independence, KS 67301

Dear Sir,

Enclosed for your information is a copy of application filed for a 40 acre non-standard gas proration unit on Hughes "B-4" Well No. 5 with the State of New Mexico, Oil Conservation Division.

If additional information is needed, please let us know at your earliest convenience.

Sincerely,



Marvin A. Duke, Jr.

P 297 853 737

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
ARCO	
Street & Number	
P.O. Box 308 - Arco Bldg.	
Post Office, State, & ZIP Code	
Independence, KS 67301	
Postage	\$ 55
Certified Fee	110
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 165
Postmark (Date)	

PS Form 3800, April 1995

USPS