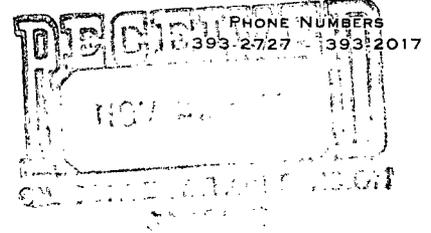


Oil Reports and Gas Services, Inc.

P. O. BOX ~~X83K~~ 755

HOBBS, NEW MEXICO 88240

November 21, 1985



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

Re: Dwight A. Tipton
Union State No. 1

Gentlemen:

Application is hereby made on behalf of Dwight A. Tipton for administrative approval of an unorthodox location and non-standard proration unit for the Union State No. 1, located 2086 feet from the South line and 766 feet from the East line of Section 22, Township 14 South, Range 34 East, Lea County.

The subject well was drilled and completed by Sunset International Petroleum Corporation in the High Plains Permo Penn Pool on March 20, 1966 and subsequently plugged May 4, 1966. The footage location was in compliance with special pool rules as established by Order R-2874, dated March 5, 1965, which provided that wells be located within 150 feet of the center of either the northeast quarter of the southwest quarter of a governmental quarter section. The special pool rules were amended by Order R-2874-C dated September 27, 1985 to provide that wells be located no nearer than 660 feet to the outer boundary of the proration unit nor nearer than 330 feet to any governmental quarter-quarter section line.

Therefore it is requested that administrative approval be granted for an unorthodox location, being 554 feet from the northern boundary of the proration unit, for the Union State No. 1, to allow Dwight A. Tipton to re-enter said well and test for commercial production in the Penn formation. A plat is attached showing the well and the ownership of all offset leases. It will be noted that Dwight A. Tipton is the offset operator to the north and to the east.

Oil Conservation Division

November 21, 1985

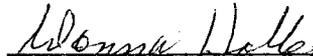
Page 2

The above mentioned special pool rules provides for 160-acre proration units. Application is hereby made for administrative approval of a non-standard proration unit, to consist of 80-acres, to comprise the E/2 of the SE/4 of said Section 22. Such a proration unit would consist of contiguous quarter-quarter sections with a common bordering side and lie within a single governmental quarter section.

All offset lease owners have been furnished a copy of this application by certified mail as evidenced by the copy of Post Office form 3800.

Yours very truly,

OIL REPORTS & GAS SERVICES, INC.



Donna Holler

DH/cg

cc: Dwight A. Tipton
P. O. Box 1025
Lovington, NM 88260



2 Hudson St
T.P. 60
Store
215-90
215-90
215-90

Keystone Inc. M.I.
R.M. M. (Business)

244U
12
Votes Pet
LG-2899

U.S. M.I.
T.H.M. Connell
5.4312

P 243 010 608
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO		
Clements Energy Inc.		
STREET AND NO.		
P. O. Box 20500		
P.O., STATE AND ZIP CODE		
Oklahoma City, OK 73156		
POSTAGE		\$22
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	75 c
	SPECIAL DELIVERY	c
	RESTRICTED DELIVERY	c
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	70 c
TOTAL POSTAGE AND FEES		167
POSTMARK OR DATE		

PS Form 3800, Apr. 1976

P 243 010 609
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO		
Grooms & Newkumet		
STREET AND NO.		
P. O. Box 3758		
P.O., STATE AND ZIP CODE		
Midland, TX 79703		
POSTAGE		\$22
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	75 c
	SPECIAL DELIVERY	c
	RESTRICTED DELIVERY	c
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	70 c
TOTAL POSTAGE AND FEES		167
POSTMARK OR DATE		

PS Form 3800, Apr. 1976

P 243 010 605
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO		
Kriti Exploration, Inc.		
STREET AND NO.		
800 Gessner, S-790		
P.O., STATE AND ZIP CODE		
Houston, Texas 77024		
POSTAGE		\$22
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	75 c
	SPECIAL DELIVERY	c
	RESTRICTED DELIVERY	c
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	70 c
TOTAL POSTAGE AND FEES		167
POSTMARK OR DATE		

PS Form 3800, Apr. 1976

P 243 010 607
RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

SENT TO		
Yates Petroleum Corp.		
STREET AND NO.		
207 South 4th Street		
P.O., STATE AND ZIP CODE		
Artesia, New Mexico 88210		
POSTAGE		\$22
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	75 c
	SPECIAL DELIVERY	c
	RESTRICTED DELIVERY	c
	OPTIONAL SERVICES	
	RETURN RECEIPT SERVICE	70 c
TOTAL POSTAGE AND FEES		167
POSTMARK OR DATE		

PS Form 3800, Apr. 1976