

EXXON COMPANY, U.S.A.
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702

PRODUCTION DEPARTMENT
MIDCONTINENT DIVISION

December 14, 1983

Unorthodox Location Request
Panos Federal #1
Section 1, T19S, R23E
Eddy County, New Mexico

New Mexico Oil Conservation Commission
Attn: Mr. Joe Ramey
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Please grant administrative approval for an unorthodox location for the above well. The Panos Federal Com. #1 was completed May 5, 1982 as a Morrow gas well with a proration unit composed of the East half of Section 1.

Exxon proposes to plug back from the Morrow to the Upper Penn and to change the proration unit from the East half to the North half of Section 1. The well is located 1980' FNL and 660' FEL of Section 1, an unorthodox location for a North-half proration unit.

Attached are Form 9-331C, Application for Permit to Drill, Deepen or Plug Back, Form C-102, Well Location and Acreage Dedication Plat, a plat and a waiver showing the offset operators.

The offset operators are being notified by certified mail of the application to complete this well at an unorthodox location. If you as an offset operator have no objection to this application, we request that you execute the attached waivers. Please forward a copy to the New Mexico Oil Conservation Commission, P.O. Box 2088, Santa Fe, New Mexico 87501, and return a copy to this office.

The offset operators are:

Cities Service Co., P.O. Box 1919, Midland, Texas 79702

Superior Oil Co., Midland Exploration Division, P.O. Box 1900, Midland, Texas 79701

Texas Oil and Gas Corp., 900 Wilco Bldg., Midland, Texas 79701