

W. C. Blackburn
Division Manager
Production Department

Western Hemisphere Petroleum Division
Continental Oil Company
152 North Durbin
Pacific Western Life Building
Casper, Wyoming 82601
(307) 234-7311

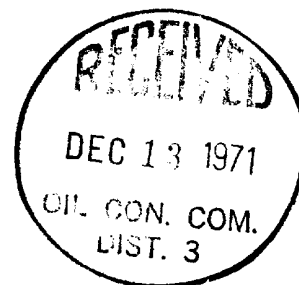
December 10, 1971

State of New Mexico (2)
Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Application for Administrative Approval
Unorthodox Location - AXI Apache "J" No. 25
Rio Arriba County, New Mexico
File: DO-410-CF



Continental Oil Company requests administrative approval to drill the subject well at an unorthodox location under Rule No. 104, Section "D", Subsection II, Paragraph "F" of the Rules and Regulations of the New Mexico Oil Conservation Commission.

The following is the proposed drilling plan for the well:

AXI Apache "J" No. 25
660' FNL, 660' FEL
Section 7, T25N, R5W
Proposed TD: 5300'
8 5/8" Casing @ 200' (est.)
5 1/2" casing @ TD
Completion Formations: Otero Chacra
Undesignated Mesaverde

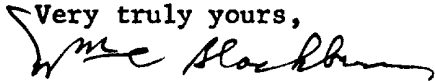
As indicated by the attached plat, the orthodox location of 790' FNL, 790' FEL would fall on the Southern Union Gas Pipeline System for the area. An orthodox location cannot be made by moving the well west into the NW NE of Section 7 because of the pipeline. It is not desired to move the well location into the SE NE or SW NE of Section 7 because of the effects on spacing for future development of the lease. Present data indicate that drilling the well within the NE NE of Section 7 will encounter the best formation development.

*approved -
for completion with
George L. 1-3-72*

State of New Mexico
Oil Conservation Commission
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Offset operators to the AXI Apache "J" lease have been notified of this application, as indicated by copies of this letter, by certified mail.

Very truly yours,



bjs
att.

Copies to:
State of New Mexico ✓
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87401

Amoco Production Company, w/enc
Security Life Building
Denver, Colorado 80202

Amerada Hess Corporation, w/enc
P.O. Box 2040
Tulsa, Oklahoma 74102

El Paso Natural Gas Company, w/enc
P.O. Box 1492
El Paso, Texas 79999

Marathon Oil Company, w/enc
P.O. Box 120
Casper, Wyoming 82601

