

OIL PRODUCER

W. A. MONCRIEF, JR.

400 Metro Building
MIDLAND, TEXAS 79701

TELEPHONE 682-1762

August 2, 1978

Mr. Dick Stamets
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

RE: W. A. Moncrief, Jr.
#1-Y Phillips State
1675' FSL & 625' FEL
Section 8, T16S, R34E
Lea County, New Mexico

Dear Sir:

The #1 Phillips State was originally planned 1980' FSL & 660' FEL of section 8, T16S, R34E. This location fell on top of the dry hole marker for an abandoned Queen producer in the Hume Queen Field.

An alternate location was approved 1830' FSL & 660' FEL of section 8. This hole was lost at 10,786' due to collapsed 8-5/8" casing.

Location for the #1-Y Phillips State (replacement well) was approved 1675' FSL & 625' FEL of section 8. This well was drilled as a 14,100' Devonian oil test in the Hume Devonian Field. Operator set 5 1/2" casing at total depth and tested the Devonian through perforations 14,013-14,038'. These perfs proved to be non-commercial and the well was plugged back to 12,800' and the Morrow sand was perforated 12,580-12,590' and completed for a CAOF of 2,916 MCFGPD.

I have been advised by the Hobbs Oil Conservation Commission office that this location is a non-standard location for the 320 acre gas proration unit embracing the E/2 of section 8.

By this letter I am asking you to approve this non-standard location for a gas well administratively since it was initially a legal location in the Hume Devonian Oil Field and since it is eligible for administrative approval under Rule 104-F.

I am attaching a plat showing the 320 acre proration unit dedicated to this well and the ownership of offset acreage.

I have sent a copy of this application to all offset operators by certified mail and have asked each of them to waive any opposition to this application.

✓cc: Mr. Jerry Sexton, OCC, Hobbs, N.M.
Tenneco Oil Co.
Davoil, Inc.
Gulf Oil
Great Western
MWJ Producing Co
Elk Oil Co
Exxon

DET:rw

Respectfully yours,
MONCRIEF OIL INTERESTS

Dewey E. Thornton
Dewey E. Thornton,
Exploration Manager