ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION P. O. BOX 2088 Santa Fe, New Mexico 87501

January 10, 1983

Conoco Inc. P. O. Box 460 Hobbs, New Mexico 88240

Attention: Mark K. Mosley, Division Manager

Administrative Order TX-104

Gentlemen:

Reference is made to your request for an exception to the tubing setting requirements as contained in Division Rule 107(d)(3) for the below-named well.

Pursuant to the authority granted me by Rule 107(d)(4), you are hereby authorized to produce the following well through the casing from a depth of approximately 2400 feet:

Well Name and Number: AXI Apache "F" Well No. 8

Location: SW/4 SW/4 of Sec. 11, Township 23 North, Range 5 West, NMPM, Rio Arriba County

REMARKS: It is our understanding that this well produces no liquids; further, that in the event it should start significant production of liquids, Conoco would run a string of 1 1/4-inch tubing to unload the liquids.

The Division reserves the right to rescind this authority in the event that waste appears to be resulting therefrom.

Wery truly yours

JOE D. ŔAMEY, // Division Director

JDR/MES/dr

cc: Oil Conservation Division - Aztec
Oil & Gas Engineering Committee - Hobbs
Well File
Mike Stogner

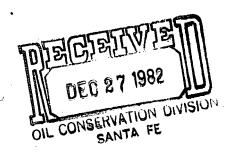


Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc. P. O. Box 460 726 E. Michigan Hobbs, NM 88240 (505) 393-4141

December 17, 1982

New Mexico Oil Conservation Division Department of Energy & Minerals State of New Mexico P. O. Box 2088 Santa Fe, New Mexico 87501



Attention: Joe Ramey

Gentlemen:

Conoco Inc. respectfully requests administrative approval to produce AXI Apache F No. 8 as a tubingless completion.

The AXI Apache F No. 8 will be drilled as a proposed gas well in the Pictured Cliffs formation. It is located 1000' FSL & 1000' FWL of Section 11, T-23N, R-5W in Rio Arriba County.

We propose to drill this well to a total depth of 2400' with the following casing and cementing programs:

Casing:

Surface - 8-5/8" 24#, K-55, ST&C set at 300' Production - 3-1/2", 9.3#, J-55, EUE set at 2400'

Cement:

Surface - cemented with 230 sx Class "B" to surface Production - cemented with 340 sx Class "B" to surface.

This well is expected to produce an average daily rate of 85 MCF with little or no fluid production. In the event the well begins significant production of liquids, Conoco intends to run 1-1/4", 2.33#, J-55, IJ tubing to unload the well.

In our opinion, no loss of production and/or reserves due to the above well completion will result, therefore, we respectfully request administrative approval to produce this well as a tubingless completion.

Yours very truly,

MEG:cyg

cc: NMOCD - Aztec