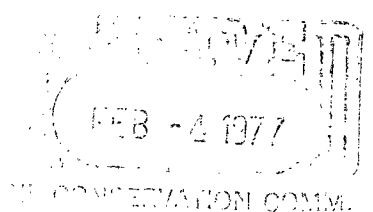


ELK OIL COMPANY

BOX 310

ROSWELL, NEW MEXICO 88201

(505) 623-3190



February 2, 1977

NSL-825
104 F
Done Feb 24

Secretary Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Unorthodox location
#1 Northeast Kemnitz
SW/SW Sec 15, T-16S, R-34E, N.M.P.M.
Lea County, New Mexico

Attn: R. L. Stamets

Gentlemen:

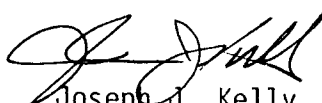
Elk Oil Company hereby request an administrative approval of an unorthodox location for its #1 Northeast Kemnitz. This well was deepened and completed as a Morrow gas producer. The original well was drilled at an orthodox location for such original horizon.

Enclosed please find land plat of lease ownership in area. Union Oil of California is the only offsetting pro-ration unit and has been notified by Certified mail. Also enclosed is C-102, Acreage Dedication Plat showing the $W\frac{1}{2}$ of Section 15, T-16S, R-34E, as the pro-ration unit.

Thank you for handling this matter.

Yours very truly,

ELK OIL COMPANY


Joseph J. Kelly
President

JJK/rm
Encl.

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

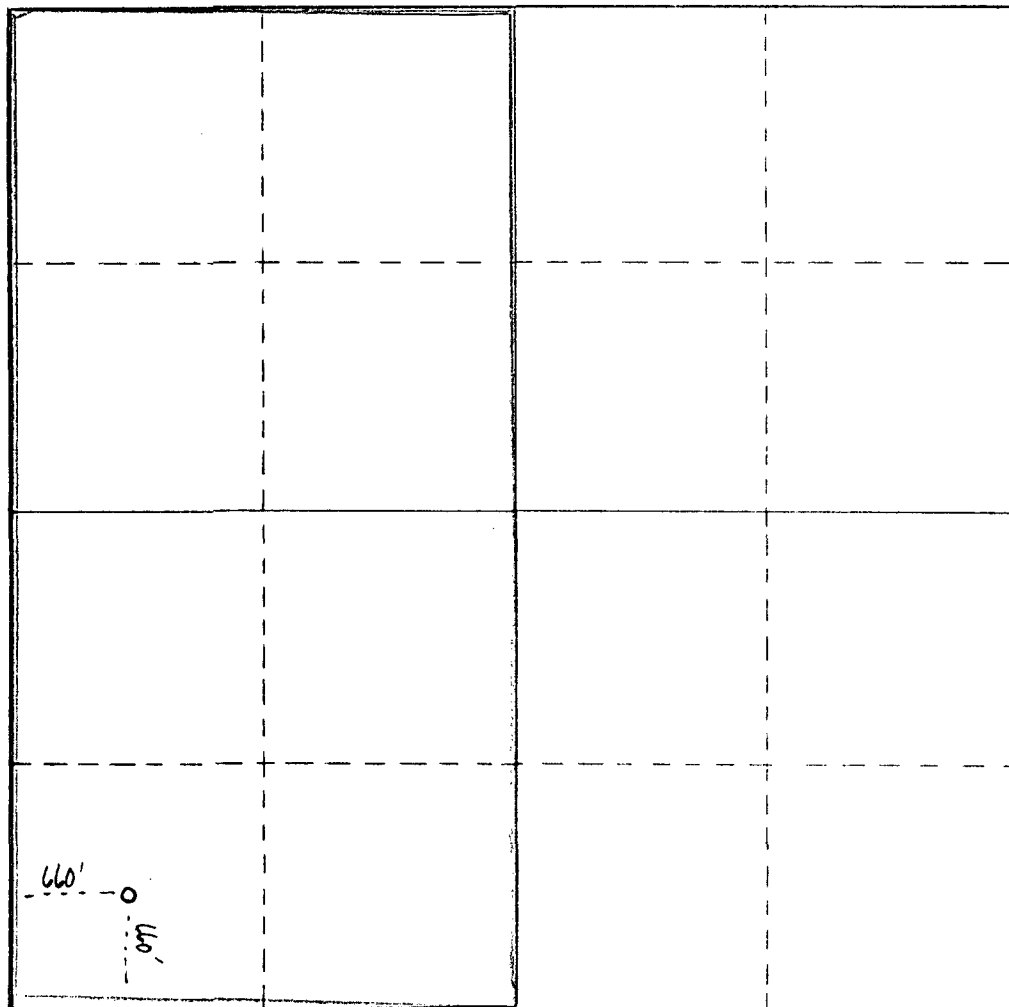
Operator Elk Oil Company			Lease Northeast Kemnitz		Well No. 101
Unit Letter M	Section 15	Township 16S	Range 34E	County Lea	
Actual Footage Location of Well:					
660		feet from the	South	line and	660
660		feet from the	West	line	
Ground Level Elev. 4101	Producing Formation Morrow		Pool Undesignated Morrow		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Joseph J. Kelly

Position
President

Company
Elk Oil Company

Date
2/2/77

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

[illegible]

Union Oil and Gas Division: Central Region

Union Oil Company of California
500 North Marienfeld, Midland, Texas 79701
Telephone (915) 682-9731



Midland District

February 8, 1977

Secretary Director
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, NM 87501

Gentlemen:

SUBJECT
Elk Oil Company
N. E. Kemnitz Well No. 1
Sec. 15-16S-34E
Lea County, New Mexico

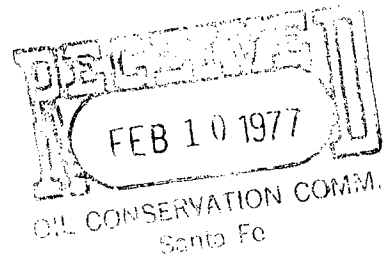
Union Oil Company of California hereby waives objection to the
subject well's location being a non-standard unit.

Very truly yours,


L. F. Thompson
District Operations Manager

LHP:dn

cc: Elk Oil Company



OIL CONSERVATION COMMISSION
Hobbs DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE February 8, 1977

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

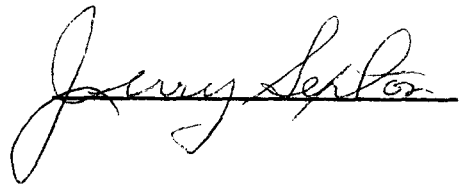
Gentlemen:

I have examined the application dated _____
for the Elk Oil Co. Northeast Kemnitz #1-M 15-16-34
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.S.

Yours very truly,



Featherstone Development Corporation

1717 WEST SECOND STREET
ROSWELL, NEW MEXICO 88201

February 7, 1977

Secretary Director
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. J. E. Kapteina

Re: Approval - Unorthodox Location -
SW/4 SW/4 Section 15, T 16S, R 34E,
Lea County, New Mexico

Gentlemen:

This letter is to advise that Featherstone Development Corporation, as owner of New Mexico State Lease L-6437 covering the W/2 of Section 10, Township 16 South, Range 34 East, has no objection to the unorthodox location for Elk Oil Company's gas well located in the SW/4 SW/4 of Section 15, Township 16 South, Range 34 East, N.M.P.M. It is our understanding that their proration unit will cover the W/2 of Section 15.

Very truly yours,

FEATHERSTONE DEVELOPMENT CORPORATION

Charles W. Hicks

Charles W. Hicks
Vice President

CWH/11w

cc: Mr. Joe Kelly
Elk Oil Company
Roswell, New Mexico 88201