

HOLLY ENERGY, INC.
P. O. Box 726
Artesia, New Mexico 88210

July 15, 1977

Mr. Joe D. Ramey
Secretary-Director
New Mexico Oil Conservation Commission
P O Box 2088
Santa Fe, New Mexico 87501

NSL-873

104 F

Due Aug 4

Attention: Mr. Jim E. Kapteina

Re: Non-Standard Gas Well Location
Section 20-T17S-R30E
Eddy County, New Mexico
W.D. McIntyre "A" Well No. 7

Gentlemen:

Holly Energy, Inc. seeks administrative approval of an unorthodox gas well location under the provisions of paragraph F of Rule 104 of New Mexico Oil Conservation Commission Rules and Regulations dated January 1, 1976, based upon topographical conditions. The standard locations within Lease No.-0467932 fall within an established Arco pipeyard installation bordering Highway 82, which runs through the northern portion of the lease. The non-standard location requested is 1650' FSL and 1980' FWL of Section 20-T17S-R30E.

The proposed well is projected to the Morrow formation at a proposed depth of 11,400 feet.

A lease ownership plat, indicating the location of the Arco installation and of Highway 82, is enclosed. Each offset operator is being notified by three copies of this letter (via certified mail) and is asked to indicate waiver of objection, by authorized signature in the space provided below, on two copies of this letter. After signature, offset operators are requested to mail one copy of this letter to Mr. Jim E. Kapteina, New Mexico Oil Conservation Commission, P O Box 2088, Santa Fe, New Mexico 87501, and to return the other copy to Mr. Robert Loyd, Holly Energy, Inc., P O Box 726, Artesia, New Mexico, 88210 in the stamped, self-addressed envelopes enclosed.

Sincerely,

Robert Loyd

Robert Loyd
Production Superintendent

cc: General American Oil Co. of Texas
Meadows Building
Dallas, Texas 75206

Anadarko Production Company
P O Box 1330
Houston, Texas 77001

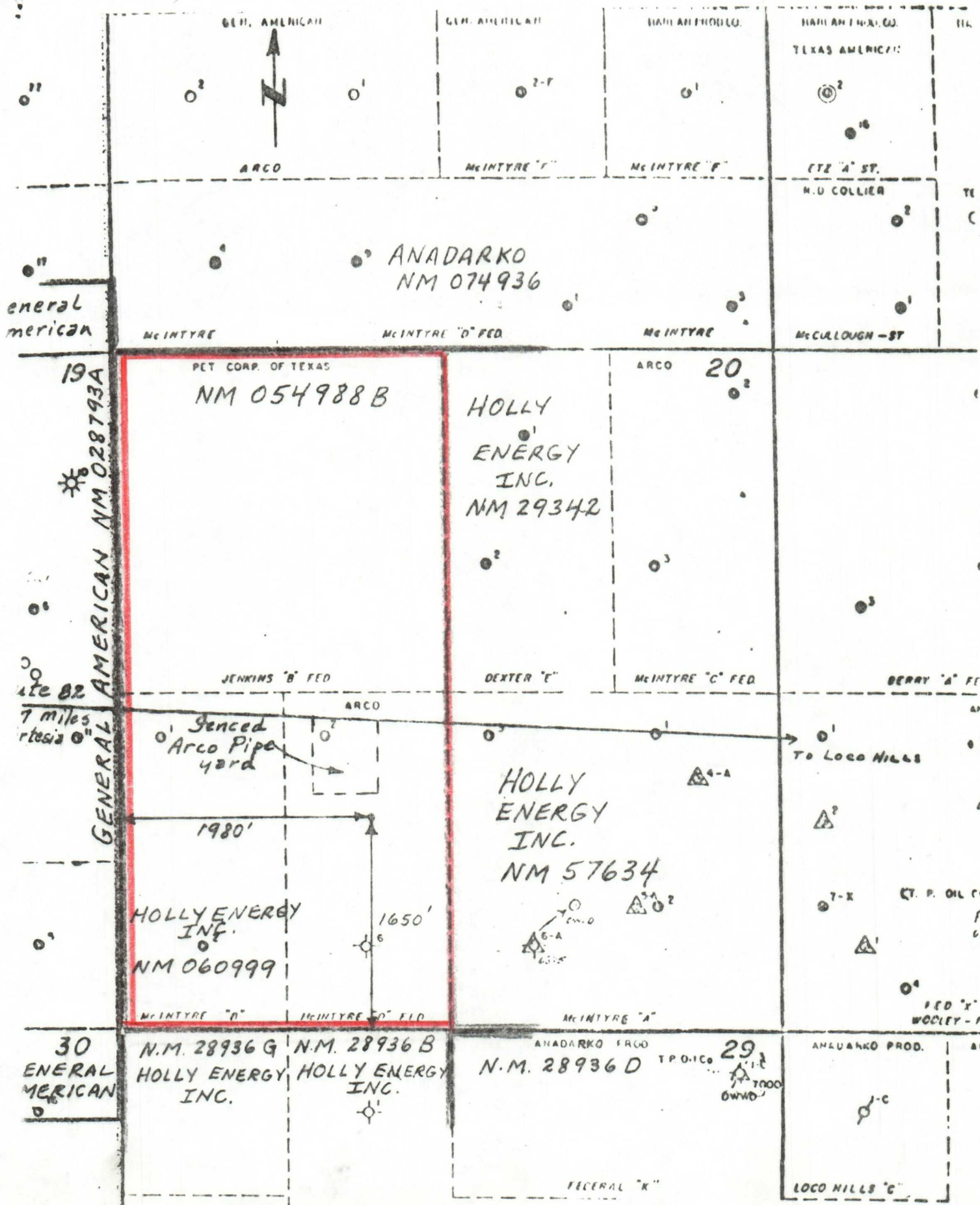
Waiver of Objection:

Name and Title

Company Name

Date

ENL:d1
Enclosure



OIL CONSERVATION COMMISSION
Artesia DISTRICT



OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE 7-21-77

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

Gentlemen:

I have examined the application dated 7-15-77
for the Holly Energy Inc. WD McIntyre A #7 K 20-17-30
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approval upon receipt of waivers

Yours very truly,

W. A. Gressett