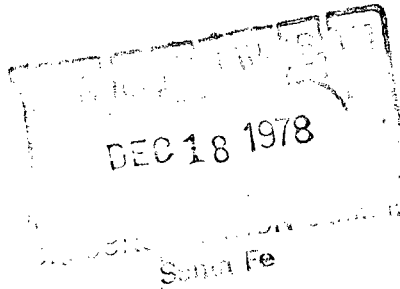


**NATOMAS
NORTH
AMERICA
INC.**



December 14, 1978

The Director
Oil Conservation Division
Energy and Minerals Department
State of New Mexico
Box 2088
Santa Fe, New Mexico

*Rule 104 B.I. (b)
NSC-1006
104-F*

Re: Unorthodox Gas Well Location
Request for Administrative Approval
Our: Lera Area

Dear Sir:

The subject well, Natomas State of New Mexico No. 1 is located

860' FSL and 660' FWL in Section 19,
Township 10 South, Range 32 East,
Lea County, New Mexico.

Reason for request. The drillsite was selected on the basis of an oil spacing unit. The subject well was drilled to the projected depth of 12,000 feet into the Devonian formation where oil was expected. There were no Devonian hydrocarbons encountered. The subject well was subsequently plugged back and completed as a gas well in the Morrow formation, producing interval 10,756'-10,764'.

All offset operators have been notified by certified mail that Natomas is requesting approval of an unorthodox location. Copies of letters to offset operators are attached hereto.

Land plat (in triplicate) delineating the 320 acre unit dedicated to this well is attached hereto.

Very truly yours,

*Talked to
Goodwin Dec 28
advised him that
in the absence of
objection, we can
approve this
application
administered on gas
(Recompletion of asset
previously sold to another
horizon.)*
Jack Goodwin
Division Manager

ERR:wmt

Enclosures

cc: Oil Conservation Division
Hobbs District Office

NATOMAS
NORTH
AMERICA
INC.

DEC 18 1978

Santa Fe

December 14, 1978

CERTIFIED-RETURN RECEIPT REQUESTED

Griffin & Burnett
501 Petroleum Building
Midland, Texas 79701

Re: Request for Unorthodox Location
Natomas State of New Mexico Well No. 1
SWSW $\frac{1}{4}$ Section 19, T-10-S, R-32-E,
Lea County, New Mexico

Gentlemen:

The captioned Morrow gas well is located in an unorthodox location. It is therefore necessary to obtain State of New Mexico Oil Conservation Division approval. It is also necessary that all Leasehold Operators offsetting the subject well spacing unit be notified of Natomas' intent to make application for approval of the subject unorthodox location.

You are hereby notified that Natomas is making application for administrative approval of an unorthodox location as shown on the attached land plat. A copy of our letter of application is also attached hereto.

Very truly yours,

Jack Goodwin

Jack Goodwin
Division Manager

ERR:wmt

Enclosures

NATOMAS
NORTH
AMERICA
INC.

DEC 18 1978

December 14, 1978

CERTIFIED-RETURN RECEIPT REQUESTED

Mr. Julian Ard
P. O. Box 1030
Midland, Texas 79702

Re: Request for Unorthodox Location
Natomas State of New Mexico Well No. 1
SWSW $\frac{1}{4}$ Section 19, T-10-S, R-32-E,
Lea County, New Mexico

Dear Sir:

The captioned Morrow gas well is located in an unorthodox location. It is therefore necessary to obtain State of New Mexico Oil Conservation Division approval. It is also necessary that all Leasehold Operators offsetting the subject well spacing unit be notified of Natomas' intent to make application for approval of the subject unorthodox location.

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Very truly yours,

Jack Goodwin

Jack Goodwin
Division Manager

ERR:wmt

Enclosures

NATOMAS
NORTH
AMERICA
INC.

DEC 18 1978

December 14, 1978

CERTIFIED-RETURN RECEIPT REQUESTED

Eastland Oil Company
704 Western United Life Building
Midland, Texas 79701
Attention: Land Department

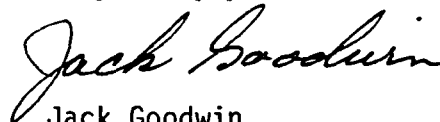
Re: Request for Unorthodox Location
Natomas State of New Mexico Well No. 1
SWSW $\frac{1}{4}$ Section 19, T-10-S, R-32-E,
Lea County, New Mexico

Gentlemen:

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Very truly yours,



Jack Goodwin
Division Manager

ERR:wmt

Enclosures

NATOMAS
NORTH
AMERICA
INC.

December 14, 1978

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Getty Oil Company
P. O. Box 1231
Midland, Texas 79702
Attention: Land Department

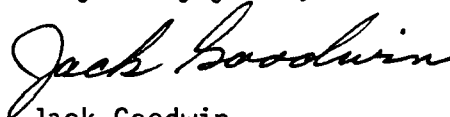
Re: Request for Unorthodox Location
Natomas State of New Mexico Well No. 1
SWSW $\frac{1}{4}$ Section 19, T-10-S, R-32-E,
Lea County, New Mexico

Gentlemen:

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Very truly yours,



Jack Goodwin
Division Manager

ERR
ERR:wmt

Enclosures

NATOMAS
NORTH
AMERICA
INC.

December 14, 1978

CERTIFIED-RETURN RECEIPT REQUESTED

Gulf Oil Corporation
P. O. Box 1150
Midland, Texas 79702

Attention: Land Department

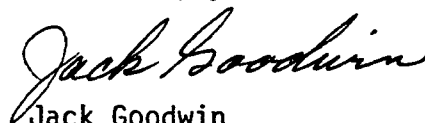
Re: Request for Unorthodox Location
Natomas State of New Mexico Well No. 1
SWSW $\frac{1}{4}$ Section 19, T-10-S, R-32-E,
Lea County, New Mexico

Gentlemen:

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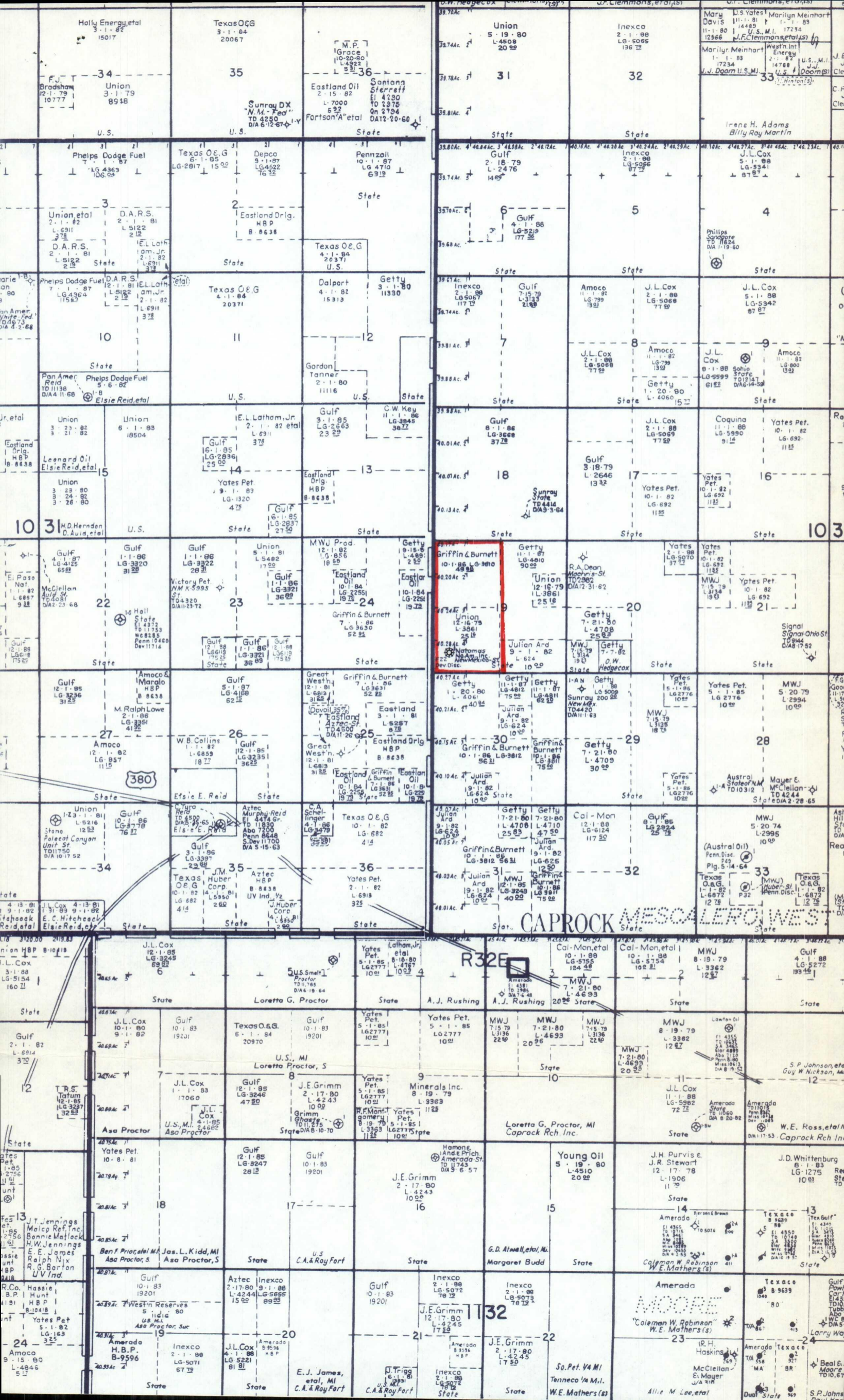
Very truly yours,



Jack Goodwin
Division Manager

ERR
ERR:wmt

Enclosures



OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

December 18, 1978

C
O
P
Y
Jack Goodwin
Division Manager
Natomas North America Inc.
1004 Gihls Tower West
Midland, Texas 79701

Dear Mr. Goodwin:

In accordance with Rule 104 B.I.(b), your application of December 14, 1978, for approval of an unorthodox gas well location for your Natomas State of New Mexico Well No. 1 must be set for hearing. Unless we hear otherwise, this case will be set for hearing before a Division Examiner on January 17, 1979. Natomas will need to appear and present testimony in this case.

If there are any questions on this matter, please do not hesitate to call upon me.

Very truly yours,

R. L. STAMETS
Technical Support Chief

RLS/fd