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Grace Petroleum CorporationSubsidiary of W. R. Grace & Co.

Midland District Office 925 Western United Life Building Midland, Texas 79701

Phone (915) 683-4793 Mailing Address: P. O. Drawer 2358 Midland, Texas 79702

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

Attn: R.L. Stamets

Technical Support Chief

Re: Amend Administrative Order NSL-1442

Non-Standard Location

West Tonto "A" Federal Com. No. 1-Y

Sec. 25, T-19-S, R-32-E Lea County, New Mexico

Dear Sir:

Grace Petroleum Corporation requests that Administrative Order NSL-1442 approving the drilling of West Tonto "A" Federal Com. No. 1 be amended for approval of a skid well, West Tonto "A" Federal Com. No. 1-Y.

It was necessary to P & A the No. 1 well because of mechanical problems encountered after the 8-5/8" casing was cemented. The approval is requested for a non-standard location 2450' FSL and 660' FWL of Sec. 25, T-19-S, R-32-E, Lea County, New Mexico (30' South of No. 1 and on the same drilling pad).

Attached is a listing of offset owners that are receiving a copy of this letter by <u>Certified</u> mail.

The proposed non-standard location has the verbal approval of the USGS and was spudded 1-25-82 from the same drilling pad from which Archeological Clearance has already been obtained.

Also attached is a copy of Form C-102 showing the dedicated acreage. GPC proposes the unorthodox location to cover the Bone Springs, Wolfcamp, Strawn, Atoka, and Morrow formations.

Application For Permit to Drill, Deepen, or Plug Back, Form 9-331C and Well Location And Acreage Dedication Plat, Form C-102 for this skid location are being submitted to the U.S.G.S. District in Hobbs, New Mexico.

Yours very truly,

GRACE PATROLEUM CORPORATION

Buddy J. Knight

District Production Manager

DWR/sgp

SANTA FE

XC: West Tonto "A" Federal Com. No. 1-Y w/attachments

GRACE PETROLEUM CORPORATION

Application for Non-Standard Location: W. Tonto "A" Fed. Com Well No.1-Y,Sec. 25, T-19-S, R-32-E Lea County, New Mexico

OFFSETTING LEASE OWNERSHIP

Federal Leases NM 12412

Sun Oil Co. Box 2880

Dallas, Texas 75221

NM 43731

Anadarko Production Co.

Box 2497

Midland, Texas 79702

State Leases B-1482-3

Cities Services Co.

Box 300

Tulsa, Oklahoma 74102

B-1565-2

Getty Oil Co.

Box 1404

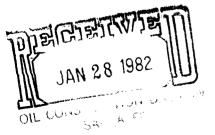
Houston, Texas 77001

L-6691

Union Oil Co. of CA

Box 3100

Midland, Texas 79702



NEW MEXICO OIL CONSERVATION COMMISSION

PATRICK A. ROMERO

WELL LOCATION AND ACREAGE DEDICATION PLAT Effective 1-1-65 All distances must be from the outer boundaries of the Section Operator Grace Petroleum Corporation West Tonto "A" Federal Com. 1-Y Section Township 'Init Letter Range County 19 South 32 East Lea Actual Footage Location of Well: 2450 feet from the South 660 West line and feet from the Producing Formation Ground Level Elev. Pool Dedicated Acreage: 3587.6 Morrow Sand Undesignated 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? If answer is "yes," type of consolidation Communitized effective 9-16-81 XX Yes USGS Approval 11-2-81, SCR194 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 Production Manager District Grace Petroleum Corporation Company January 25, 1982 320 Acre Proration Unit 660-I heraby certify that the well location shown on this plat was plotted from field 2450 ar cohizery SAR Date Surveyed 1/22/1982 Registered Professional Engineer

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