State of New Mexico ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT Santa Fe. New Mexico 87505



OIL CONSERVATION DIVISION

DRUG FREE =

February 13, 1995

Conoco, Inc. 10 Desta Drive - Suite 100 W Midland, Texas 79705-4500

Attention: Jerry W. Hoover

Administrative Order NSL-3483

Dear Mr. Hoover:

Reference is made to your application dated January 20, 1995 for an unorthodox Angles Peak-Gallup Associated Pool oil well location for your existing State Com "AI" Well No. 33E (API No. 30-045-24027) which was drilled in 1981 and completed in the Basin-Dakota Pool at a standard gas well location 1175 feet from the North line and 1180 feet from the West line (Unit D) of Section 32, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico.

It is our understanding that the Dakota interval will be properly plugged back and said well will be recompleted up-hole to the Undesignated Angles Peak-Gallup Associated Pool, which pursuant to the Special Rules and Regulations for the Angles Peak-Gallup Associated Pool, as promulgated by Division Order No. R-5353, as amended, is unorthodox. Further, the N/2 NW/4 of said Section 32 shall be dedicated to the well to form a standard 80-acre oil spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 2 of said Order No. R-5353, as amended, the above-described unorthodox oil well location is hereby approved.

Sincerely, \cap William J. LeMay Director WJL/MES/kv Oil Conservation Division - Aztec cc: New Mexico State Land Office - Santa Fe VILLAGRA BUILDING - 408 Galisteo Forestry and Resources Conservation Division P.O. Box 1948 87504-1948 827-5830 Park and Recreation Division P.O. Box 1147 87504-1147 827-7465

2040 South Pacheco Office of the Secretary 827-5950 Administrative Services 827-5925 Energy Conservation & Management 827-5900 Mining and Minerals 827-5970 Oil Conservation 827-7131