



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 11, 1998

Conoco, Inc.
10 Desta Drive - Suite 100W
Midland, Texas 79705-4500
Attention: Kay Maddox

Administrative Order NSL-3971

Dear Ms. Maddox:

Reference is made to your application dated March 6, 1998 for an unorthodox wildcat Seven Rivers gas well location for the existing Warren Unit Well No. 127 (API No. 30-025-33194), which was drilled in 1995 and completed in the West D-K Abo Pool at a standard oil well location 330 feet from the South line and 660 feet from the East line (Unit P) of Section 28, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

It is our understanding that the Abo interval will be properly plugged back and said well will be recompleted to the Seven Rivers formation. The SE/4 of said Section 28 is to be dedicated to said well in order to form a standard 160-acre gas spacing and proration for said interval. Pursuant to Division General Rule 104.B(1)(a) said location is considered to be unorthodox.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

Sincerely,

A handwritten signature in cursive script that reads "Lori Wrotenberg".
Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad