

PHILLIPS PETROLEUM COMPANY

ODESSA. TEXAS 79762 4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP Permian Basin Area April 22, 1993

> Re: Application for Directional Drilling. James "E" No. 15 Section 12, T-22-S, R-30-E, EDDY COUNTY, NEW MEXICO

State of New Mexico Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504-2088

Attention: Mr. William J. LeMay, Director

Gentlemen:

We respectfully request approval to intentionally deviate our James "E" No. 15, as provided in Statewide Rule 111. The current surface location of this well is 995' FWL and 1980' FSL with an intended bottom hole location of 660' FWL and 1980' FSL at a depth of 7700'. The Top of the Delaware should be cut at 3790'. This surface location was selected due to topographic conditions as determined by the BLM and Phillips Petroleum Drilling Department. The intended bottom hole location is an orthodox location.

Attached is a plat showing surface location and targeted bottom hole location. Also attached is a topographic map illustrating the surface obstructions.

This directional well shall be tested at least once every 500 feet or at the first bit change succeeding 500 feet. A tabulation of all deviation tests run, sworn to and notarized, shall be filed with Form C-104.

All offset operators, indicated on the attached, have been notified of this application by certified mail. Your consideration and approval will be appreciated. Please direct any questions to the attention of Ken Schramko, telephone (915) 368-1399.

Very truly yours,

PHILLIPS PETROLEUM COMPANY

S. Chimahusky

Geological Development Director

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