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PHILLIPS PETROLEUM COMPANY

APR 2 2 1993

ODESSA, TEXAS 79762 4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP

April 14, 1993

Re: Malaga "C" Well No. 3 EDDY COUNTY, NEW MEXICO

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

Attention: Mr. Micheal Stogner

Gentlemen:

Phillips Petroleum Company respectfully requests administrative approval of an unorthodox location for the Malaga "C" Well No. 3 in the Culebra Bluff, South-Atoka, Field based upon geological conditions. The proposed location for this well is 990' FSL and 1980' FWL of Section 36, T-23-S, R-28-E, Eddy County, New Mexico.

Statewide Rule 104(F)(2) allows an administrative exception be granted for geologic conditions, providing that such unorthodox location shall be no closer than 990' to the nearest end boundary of the proration unit.

Please find attached necessary support for this geological location. Please direct any questions to me at (915) 368-1488.

truly your nlos

L. M. Sanders, Supervisor Regulatory Affairs

LMS:JM:ehg Attachments

RegPro:JMapl:MalagaC3.UL