KIMBELL OIL COMPANY P. O. BOX 1097 FARMINGTON, NEW MEXICO 87401 505 . 325 . 3389 OIL UN JUNE of JA Chaple & SANTA FE March 31, 1982 NSV 104 82 Rule 22 82

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

Attention: Mr. Joe D. Ramey, Director

RE: Application for Administrative Approval

of Unorthodox Location for Kimbell Oil Company

Warren-Salazar Com. No. 3

700' FSL & 860' FWL Section 26, T25N, R6W

Pictured Cliffs Fest Formation

Dear Mr. Ramey:

1

We are requesting approval of subject unorthodox location due to topographic conditions. We desire to drill this well on the same well pad with the Kimbell Oil Company Warren-Salazar No. 2, a Dakota well, located 825' FSL & 810' FWL of Section 26. On staking the location, we found that the 60 to 80 feet cliffs on the North and East side of the well pad and a 50-60 feet canyon on the West side prevented us from drilling it at a standard location.

Merrion Oil & Gas Corporation, an off-set acreage owner, as shown on the enclosed plat has been notified by certified mail and requested to forward a waiver to you. The remaining offset acreage is operated by Kimbell Oil Company.

Sincerely,

cc: NMCCD - Aztec, N.M. Merrion Oil & Gas Corp.

Encl: 2 - Plats

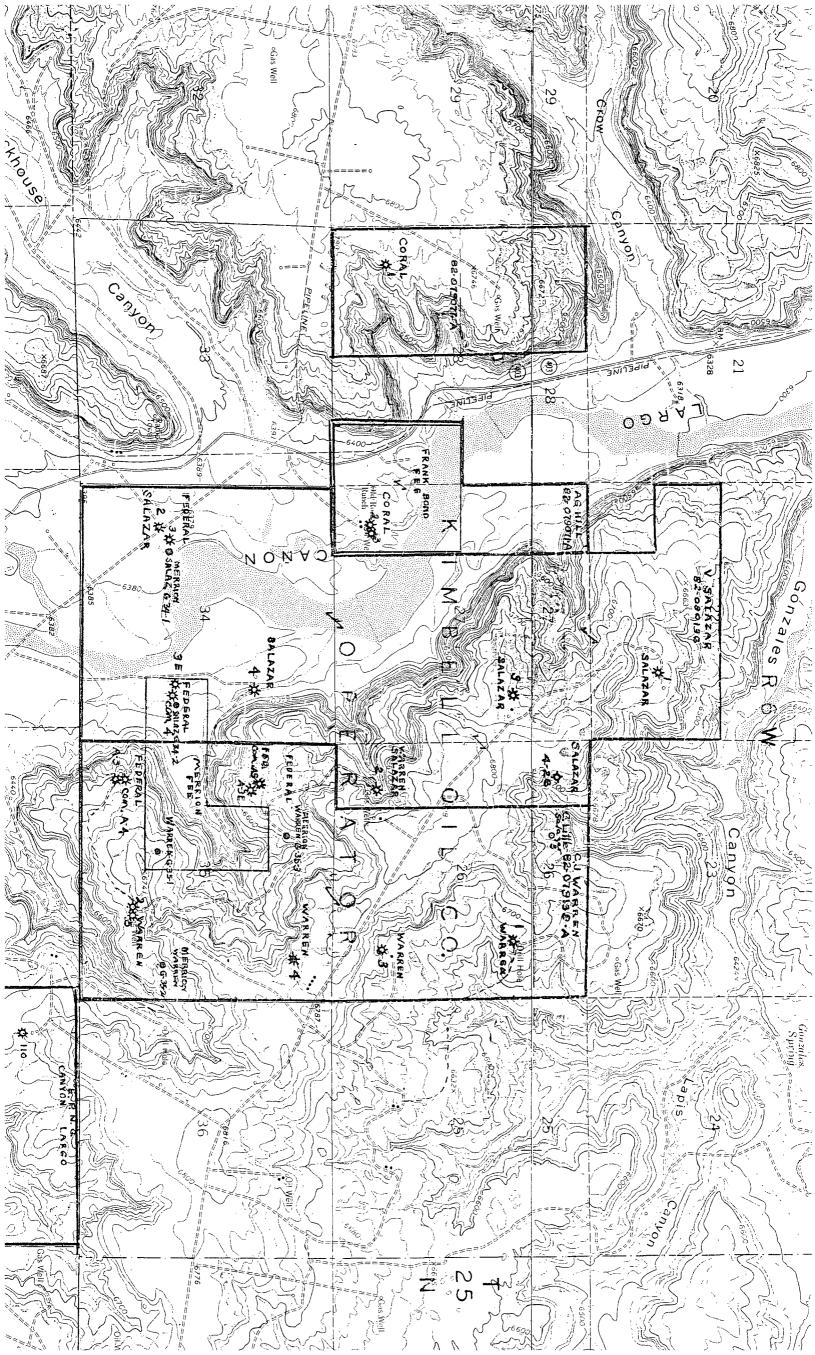
2 - Topo maps

Prod. Supt.

3511

W 27.82

Kimbell Oil Company
Application for approval of
unorthodox location
Warren-Salazar Com. No. 3
700' FSL & 860' FWL Sec. 26, T25N, R6W
Pictured Cliffs Test



KIMBELL OIL COMPANY

P. O. BOX 1097

FARMINGTON, NEW MEXICO 87401

505.825.8889

March 31, 1982

Merrion Oil & Gas Corporation P. O. Box 1017 Farmington, New Mexico 87401

RE: Application of Kimbell Oil Company for Administrative Approval of an Unorthodox location.

Subject Well: Kimbell Oil Company

Warren-Salazar Com. No. 3

700' FSL & 860' FWL Sec. 26, T25N, R6W

Pictured Cliffs Test

Gentlemen:

Enclosed is a copy of our application for administrative approval of an unorthodox location of the above subject well.

If you have no objections to this location we will appreciate your mailing a signed copy of the below waiver to Mr. Joe D. Ramey of the NMCCD, Santa Fe, New Mexico.

Sincerely,

KIMBELL OIL COMPANY

E. A. Clement Prod. Supt.

Encl. - Copy of Application Extra copy of waiver

WAIVER OF OBJECTIONS TO UNORTHODOX LOCATION

The undersigned has no objections to the unorthodox location of

the above subject well.