

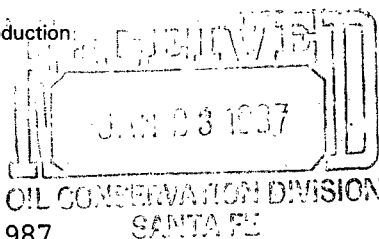
*Release Immediately
No offset*



By DRC

R. E. Irelan
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 393-4141



January 16, 1987

SANTA FE

*NSL-23 13
RUE-104F(E)*

*Maljamar Grayburg San Andres
Pool*

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

*20 Acre dedication
S1/2 SW1/4 SE1/4 Sec 23*

Attention Mr. David Catanach

Gentlemen:

Request for Unorthodox Location - MCA Unit NO. 367, 75' FSL and 1495' FEL, Section 23, T-17S, R-32E, Lea County, NM. Maljamar Grayburg/San Andres

Conoco Inc. respectfully requests administrative approval to drill the subject well at an unorthodox location in unit letter O, 75' FSL & 1495' FEL, Section 23, T-17S, R-32E, Lea County, New Mexico. This well will be drilled on 20-acre spacing as provided for in Order No. 2403, dated December 31, 1962. The MCA Unit No. 354 is at 75' FSL & 2615' FEL, Section 23, T-17S, R-32E, Lea County and MCA Unit No. 81 is at 660' & 1980' FEL, Section 23, T-17S, R-32E, Lea County.

The necessity for drilling the MCA Unit No. 367 in close proximity to the Nos. 354 and 81 and the necessity for the unorthodox location is due to the presence of power lines to the east of the location and roads to the south of the location.

Attached is a plat of the proposed location, Form C-102 showing well location and dedication. There are no offset operators. Please contact Ed Kepford at ext. 120 of this office if you have any further questions.

Yours very truly,

ELK:jr
Attachments

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

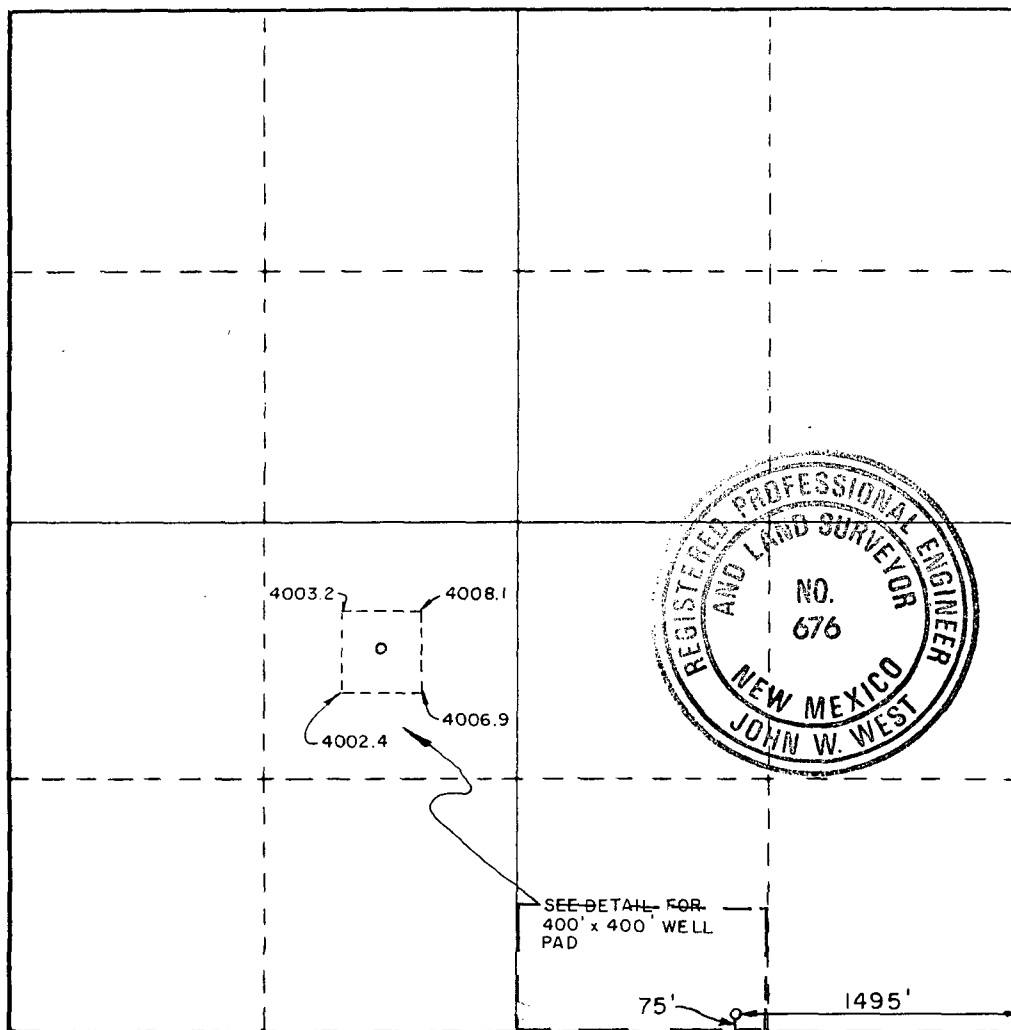
Operator CONOCO, INC.			Lease MCA UNIT			Well No. 367		
Unit Letter 0	Section 23	Township 17-S	Range 32-E	County LEA				
Actual Footage Location of Well: 75 feet from the SOUTH line and 1495 feet from the EAST line								
Ground Level Elev. 4005.3	Producing Formation Grayburg/San Andres			Pool Malvamar Grayburg/San Andres			Dedicated Acreage: 20 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Ann Bull
 Position Administrative Supervisor
 Company Conoco Inc.
 Date 1-20-87

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
NOVEMBER 28, 1986

Registered Professional Engineer and/or Land Surveyor

John W. West
 Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239