

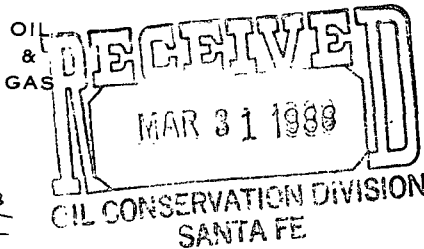
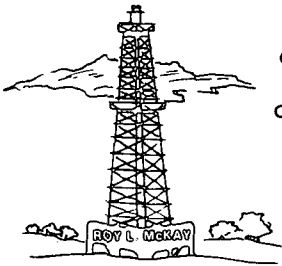
Release Date  
April 19, 1988

By Dec

# McKay Oil Corporation

ROY L. MCKAY, PRESIDENT

HOME OFFICE, P.O. Box 2014 ROSWELL, N.M. 88202 • TELEPHONE 505/623-4735



March 30, 1988

Oil Conservation Division  
New Mexico State Land Office  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Dave Catanach

Re: M&M Federal No. 5  
NE/4 Sec. 19-6S-23E  
W. Pecos Slope Abo  
Chaves County, N.M.

NSL-2501  
RULE-104 F(E)  
West Pecos Slope Abo Gas  
Pool - 160 Acres doc.  
NE 1/4 Sec. 19

Mr. Catanach,

McKay Oil Corporation desires to drill a Federal lease well in the NE/4, Section 19, Township 6 South, Range 23 East, NMPM. (See Attachment 'A') Due to topography and geological problems, McKay Oil requests an unorthodox location.

The well was originally staked at 660' FNL & 660' FEL. Due to certain conditions surrounding this location such as topography, pipelines, and rancher's corrals, the BLM would not approve this location or any other normal location within this particular drilling spacing unit. (See Attachment 'B')

The Northeast quarter or this quarter section was chosen because of geological data on wells to the North and East. Therefore, it is our opinion that this location would be the only economical and productive location to drill (See Attach. 'C')

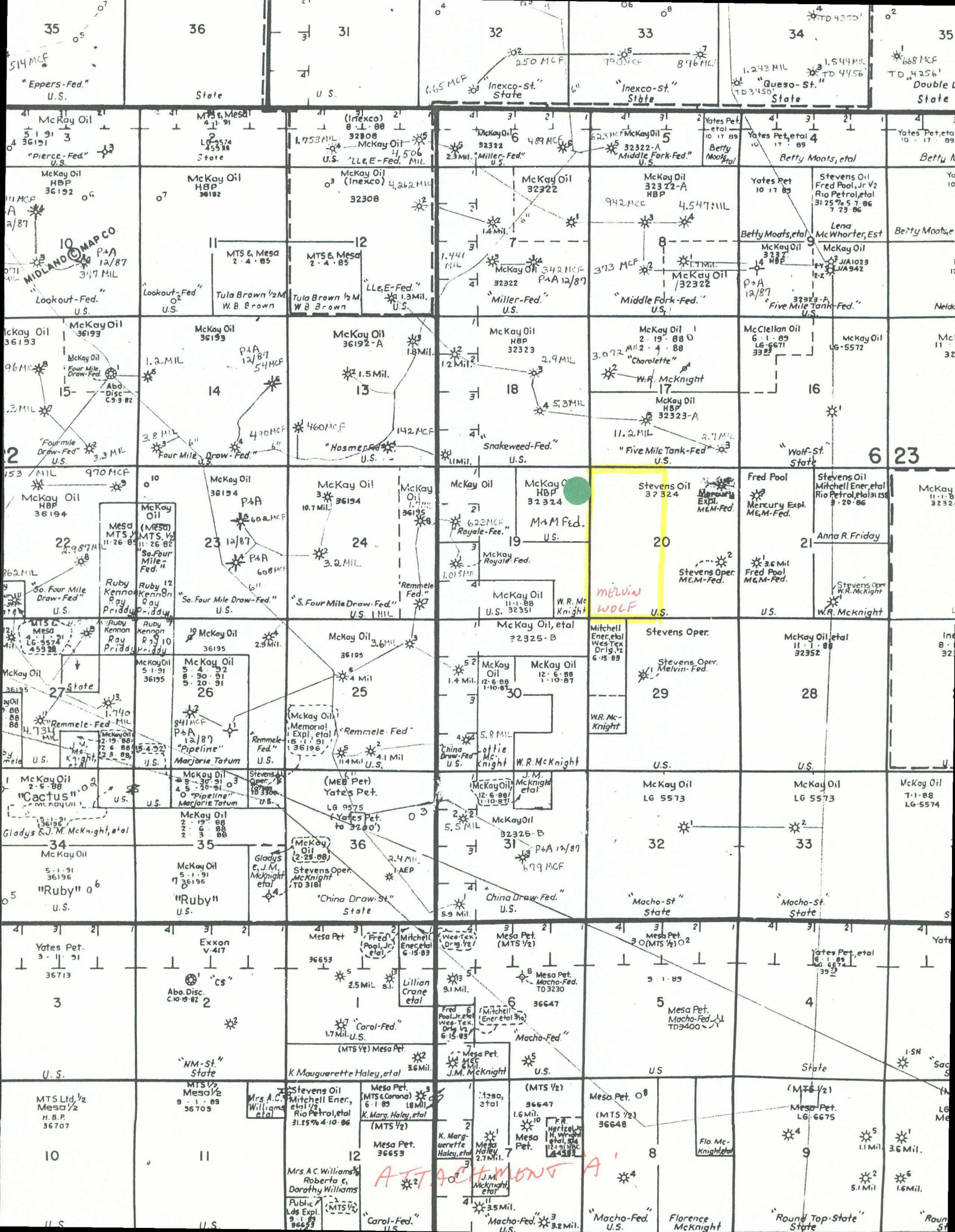
All minerals surrounding this proration unit, with the exception to the East and Southeast are leased to McKay Oil Corporation. The minerals to the East and Southeast are leased to Melvin Wolf. A certified letter will be mailed to Melvin Wolf notifying him of our proposed unorthodox location.

Therefore, McKay Oil requests that the O.C.D. approve the unorthodox location at 587' FEL and 995' FNL, Section 19, Township 6 South, Range 23 East, NMPM, which has been approved by the BLM.

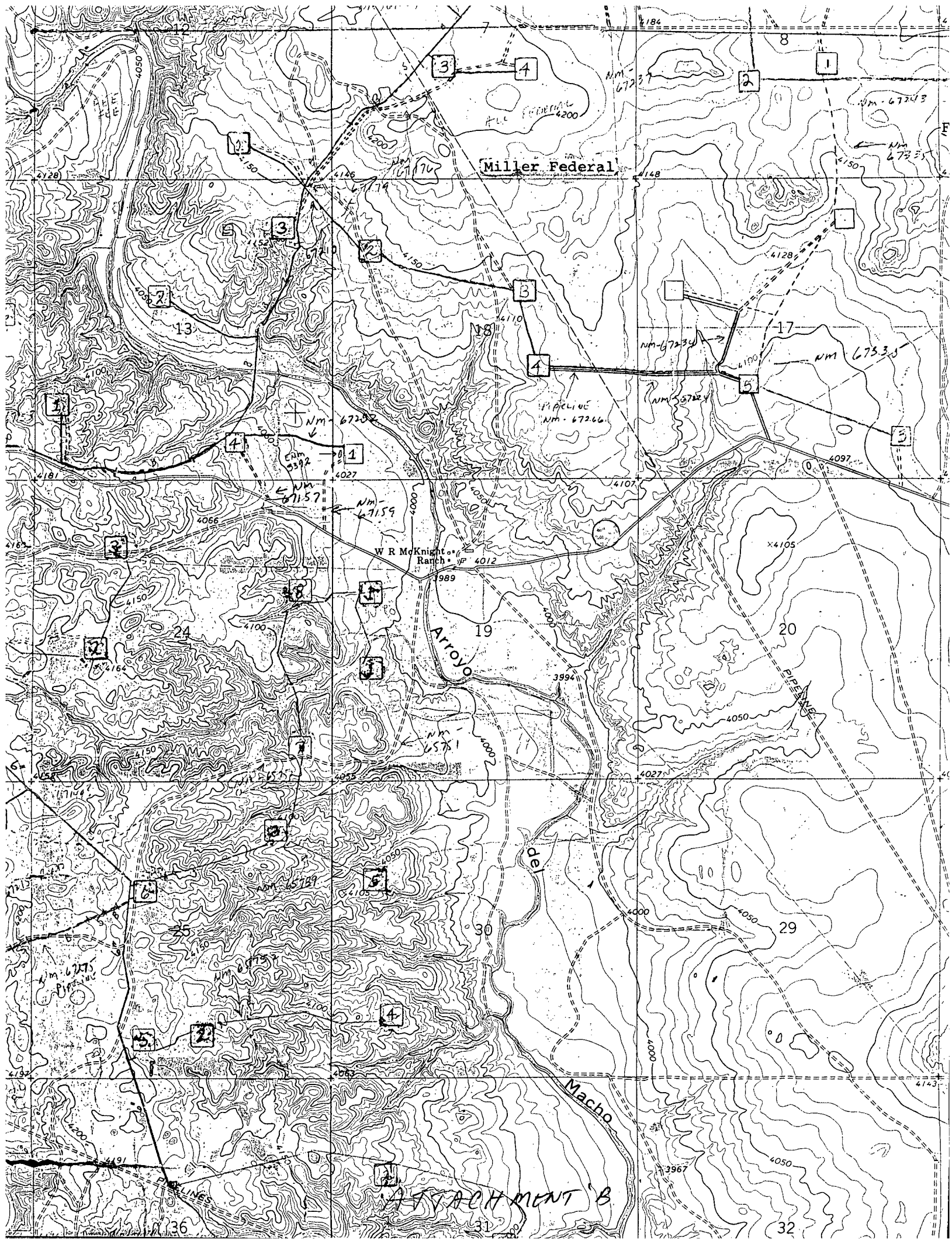
Sincerely,

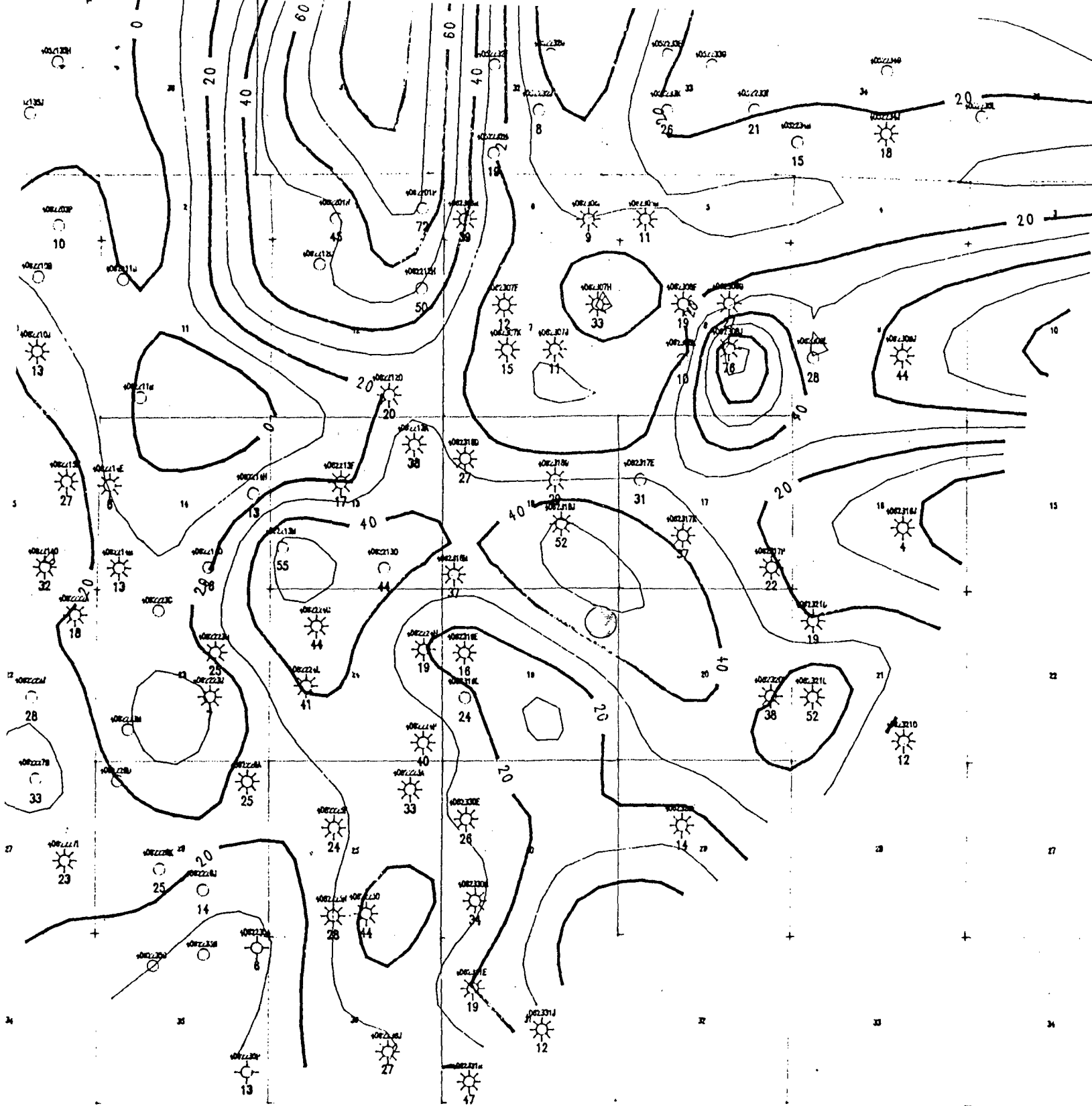
*Terry W. Franklin*

Terry W. Franklin  
McKay Oil Corporation









ATTACHMENT 'C'

MCKAY OIL CORPORATION

ROSWELL, NEW MEXICO

PECOS SLOPE ABO, WEST