

Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

James F. Trickett
Regional Environmental, Safety &
Regulatory Affairs Manager

November 30 1990

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Unorthodox Well Location
S. E. Lea Unit Well No. 3
NW/4 Section 26, T20S, R35E
Eddy County, New Mexico

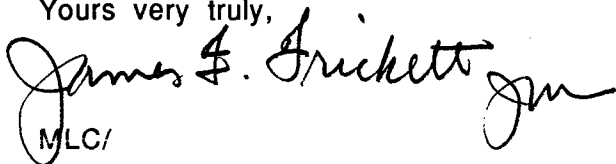
File: JCA-2891-986.51NM

Attention: William J. LeMay

Amoco Production Company has been advised that Graham Royalty, LTD has filed an application for administrative approval of an unorthodox well location for recompleting the S. E. Lea Unit Well No. 3 from the Morrow to the Wolfcamp Formation, located in Section 26, T20S, R35E, Eddy County, New Mexico.

As an offset operator, Amoco Production Company has no objection to Graham Royalty's request for NMOCD approval of an unorthodox well location for the subject well.

Yours very truly,


MLC/

Graham Royalty, LTD
5429 LBJ Freeway Suite 550
Dallas, TX 75240