

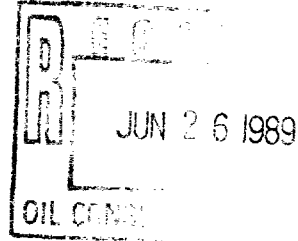


Oryx Energy Company
24 Smith Road Suite 600
PO Box 1861
Midland TX 79702-1861
915 688 0300

June 23, 1989

Southwestern
Production Region

State of New Mexico
Oil Conservation Division
310 Old Santa Fe Trail - Room 206
Santa Fe, New Mexico 87503



Attn: Mr. Michael E. Stogner

RE: Unorthodox Location
Administrative Approval Requested
Oryx Energy Company
Bronto Federal Com. No. 1
Wildcat-Morrow Field
I, 1980' FSL & 990' FEL,
Sec. 9, T-20-S, R-33-E
Lea County, New Mexico

Case 9716

Dear Mr. Stogner:

Oryx Energy Company requests administrative approval for the captioned unorthodox location. Field Rule requirements are no closer than 660' from the side boundary, 1980' from the end boundary and 330' from the quarter-quarter section line. This well is 990' from the end boundary. The Bronto well location is necessary to target gas reservoirs in transgressive sand ridge deposits that overlap low paleotopographic features.

Attached is a list of offset operators who were notified of this application by certified mail on 6-23-89. Also, enclosed is a plat showing offsets to this location, plus a copy of the application for permit to drill.

Should you require additional information on this request, please call A/C 915-688-0375.

Yours truly,

Maria L. Perez
Accountant

CC: Original Application to Drill to BLM in Carlsbad, NM.
Copy to OCD in Hobbs, NM.
Charles Gray - Conservation Dept. - Dls.-NPIV
Keith Nelson - Landman
Annell Bay - Geologist - Dls. CCII



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

July 17, 1989

Oryx Energy Company
P.O. Box 1861
Midland, TX 79702-1861

Attention: Maria L. Perez

RE: Application for an unorthodox gas well location. Bronto Federal Com Well No. 1, Unit I, Section 9, Township 20 South, Range 33 East, NMPM, Undesignated Teas-Pennsylvanian Gas Pool, Lea County, New Mexico.

Dear Ms. Perez:

Per our telephone conversation today, the subject application will be set for hearing before the next available Examiner Hearing scheduled for August 9, 1989. Because of questions issued by Barber Oil, Inc. concerning this filing, the OCD feels that this matter can best be served after notice and hearing.

If you should have any questions concerning this matter, please contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael E. Stogner", with a long horizontal line extending to the right.

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Barber Oil, Inc.
Oil Conservation Division - Hobbs
Vic Lyon
William J. LeMay

BARBER OIL, INC.
111 West Mermod
Post Office Box 1658
CARLSBAD, NEW MEXICO 88220
(505) 887-2566

July 17, 1989

RECEIVED
JUL 19 1989
OIL CONSERVATION DIV.
SANTA FE

Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Attn: Michael Stogner

Re: Unorthodox Location
Oryx Energy Company
Bronto Federal Comm No. 1
Unit Letter I, 1980' FSL & 990' FEL
Section 9, T20S, R33E
Lea County, New Mexico

Case 9716

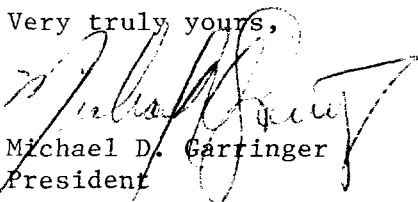
Dear Mr. Stogner:

Barber Oil, Inc. hereby protests the unorthodox location of the above captioned well. We feel the location of the well better represents the E/2 of the Section rather than the S/2 as dedicated by Oryx. The proposed location is 990' FSL of the NE/4 and is fully 1,650' FEL of the SW/4. Clearly, the 320 acre dedication should be the E/2 of the Section.

We are willing to reconsider our protests if Oryx will justify, geologically, their decision to drill in the NE/4SE/4. Approximately one week ago I was informed by Ms. Annell Bay, Oryx geologist, the reason for the S/2 dedication was because of farm-out commitments. I am being told, as of this afternoon, there is geological justification for the decision to locate the well as they have requested. I have asked Ms. Bay for documentation to support Oryx's position. If that data is reliable, this company will consider withdrawing its protest.

In the meantime, please continue with our previously discussed plans to schedule the matter for a hearing at the earliest possible date.

Very truly yours,


Michael D. Garringer
President

CC: Oryx Energy Company
Attn: Annell Bay

Robert S. Light
1409 West Orchard Lane
P. O. Box 1658
Carlsbad, NM 88221-1658

Oil Conservation Division
Attn: Michael Stogner
P. O. Box 2088
Santa Fe, NM 87501



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