

N. DALE NICHOLS

BOX 1972
MIDLAND, TEXAS 79702

June 21, 1999

Mr. Tim Gum
Oil Conservation Division
P. O. Drawer DD
Artesia, New Mexico 88211-0719

Re: Administrative Approval Non-standard well
location.


Dear Mr. Gum:

The attached C-101 and C-102 for our proposed Standard State # 5 shows the location to be 1500' FNL and 330' FEL. A standard location would have been 1650' FNL. We are requesting an administrative approval for this location as a standard location of 1650' FNL would have placed the location squarely on top of Railroad Mountain, a granite dike which crosses the area. This dike cannot be economically penetrated by a drill bit.

We request this administrative approval based on topographic and geological conditions.

Thank you for your consideration.

Yours truly,


N. Dale Nichols