Mobil Producing Texas & New Mexico Inc.

June 24, 1986

State of New Mexico Energy and Minerals Department Oil and Gas Division P. O. Box 2088 Santa Fe, New Mexico 87501

P.O. 30X 633 MIDLAND, TEXAS 79702

MIDLAND DIVISION

Attention: Mr. Dave Catanch

7.01 Statewide Rule 104 Exception Non-Standard Location Mobil Producing TX. & N. M. Inc. State Sec. 31 Well No. 1 660' FNL, 1980' FWL Section 31, T-16-S, R-34-E Kemnitz-Lower Wolfcamp Field Lea County, New Mexico

Dear Mr. Catanach:

Mobil Producing TX. & N.M. Inc. is applying for a non-standard proration unit to plug-back the State Sec. 31 Well No. 1 at the subject location. The well was permitted and drilled at a regular location in an Undesignated-Atoka/Morrow field. The Atoka/Morrow was tested then the Canyon Sand zone. An additional section of the Morrow was then tested. All zones proved uneconomical to produce. Permission is now requested to plug-back to the Kenmitz-Lower Wolfcamp Field and attempt to complete.

All offset operators have been notified of this application . A copy of this application was mailed to them on the above date. Attached, for your information and records, is a list of the offset operators, their address and a map showing the location of the operators.

Administrative approval of this application is requested. If additional information is needed please call Lorraine Maroney at (915) 688-1773.

Yours very truly,

A. E. Jate

G. E. Tate And Regulatory Manager

LLMaroney

Attachments XC: NMOCC Dist. Mgr., Hobbs

