

OIL PRODUCER

**W. A. MONCRIEF, JR.**

400 METRO BUILDING  
MIDLAND, TEXAS 79701

TELEPHONE 682-1762

March 8, 1990

Mr. Mike Stogner  
New Mexico OCD  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Unorthodox location  
Hume Atoka-Morrow field  
990' FN & WL sec. 8, T16S, R34E  
Lea County, New Mexico

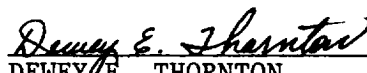
Gentlemen:

W. A. Moncrief, Jr. desires to drill the #3 State "8" as a 12,750' Atoka-Morrow test at an unorthodox location according to NMOCD rules and requests administrative approval to do so without a waiting period. The 320 acre proration unit will be the W/2 of section 8.

Attached are waiver letters from all offset operators, one (1) copy of form C-102 for the proposed well, an ownership plat of the area and two (2) EXHIBITS showing the structure immediately prior to Atoka sand deposition and the thickness and orientation of the Atoka sands. Also attached is a geological dissertation explaining why approval of the unorthodox location is requested and portions of pertinent logs in the area.

We have forwarded all the necessary forms to the OCD in Hobbs and would like to spud this well as soon as possible. Please call me at 915/682-1762 or 682-5101 when approval is granted or if you have any questions.

Very truly yours,

  
DEWEY E. THORNTON  
Exploration Manager

xc: W. A. Moncrief, Jr.

✓ Jerry Sexton-OCD, Hobbs, NM