

VIA FEDERAL EXPRESS

January 11, 1994

Mr. Michael Stogner
Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail
Santa Fe, New Mexico 87504

Re: Unorthodox Well Location
Milky Way State Well No. 1
Undesignated West Reeves (Queen) Pool
Lea County, New Mexico

Dear Mr. Stogner:



The Milky Way State No. 1 well was drilled under Compulsory Pool Order #R-9209 and completed in the Mid-Vacuum Delaware Pool. The production out of the Delaware pool has ceased and Mitchell would now like to plug back this well and recomplete it into the Undesignated West Reeves (Queen) Pool. The location for this well was originally dictated by numerous pipelines which run through our lease.

In this regard, Mitchell hereby requests administrative approval for an exception to Rule 104(C)(2) in order to recomplete the Milky Way State No. 1 well at an unorthodox location.

To aid you in processing this request, I have enclosed the following information:

- Copy of Form C-101 - Application to Plug Back
- Copy of Form C-102 (the attachment to this form shows the numerous pipelines on the lease)
- Plat which reflects Offset Operators
- Certificate of Service

Should you require additional information or if I can be of any further help, kindly advise.

Very truly yours,

MITCHELL ENERGY CORPORATION

George Mullen
Regulatory Affairs Specialist

GM:mw
OCD1.gm

cc: OCD - Hobbs
Offset Operators - Certified Mail