



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79762
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP
Permian Basin Region

May 2, 1996

Vacuum Grayburg/San
Andres Field
Lea County, New Mexico

State of New Mexico
Energy, Minerals, and Natural Resources Department
Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87504

Attention: Michael Stogner,
Engineer

Gentlemen:

Phillips Petroleum Company respectfully requests administrative approval under the provisions of Rule 111 to intentionally deviate the Hale, M. E. Well No. 24. The surface area of the proposed well location dictates the necessity for deviation of the well. The existence of gathering/flowlines, pipelines, and tank production facilities requires the wellpad area to be established where staked. The proposed bottom hole location is required to effectively complete the injection and production pattern for the current waterflood project. Future plans include unitization of and CO2 injection on the State H-35 Lease, the Mable Lease, and the Hale, M. E. Lease.

The proposed surface location is:
Unit Letter J, 1926' FSL & 2430' FEL of Section 35, T-17-S, R-34-E,
Lea County.

The proposed bottom hole location is:
Unit Letter J, 1980' FSL & 2630' FEL of Section 35, T-17-S, R-34-E,
Lea County.

Phillips Petroleum Company operates all offsetting proration units to unit letter J. The unorthodox well location application is filed with the Hobbs district office. (Copy attached)

Sincerely,

L. M. Sanders,
Sr. Regulation Analyst

LMS:ls
cc: NMOCD - Hobbs, New Mexico