EXPLORATION AND PRODUCTION Permian Profit Center

December 30, 1999

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

Re: Request for Unorthodox Locations
East Vacuum Grayburg San Andres Unit
Well Nos. Tr.3236 #394, Tr.3127 #395, Tr.3236 #396,
Tr. 3127 #397, Tr.3127 #398, Tr.3127 #399
Lea County, New Mexico

Dear Sir:

Phillips Petroleum Company respectfully requests administrative approval for unorthodox locations for the subject wells based on engineering considerations. The wells are to be located on the leaseline of the East Vacuum Grayburg San Andres Unit and Central Vacuum Unit as indicated on the attached NMOCD Forms C-102.

Under the provision of NMOCD Rule 104.F (3) attached is the information requested for the justification of Phillips' request. The list of operators of all spacing units surrounding the area of interest is attached.

If any additional information is needed,, please contact me at the letterhead address or telephone (915) 368-1488 or Celeste Dale at (915) 368-1667.

Sincerely.

L. M. Sanders

Supervisor, Regulation/Proration

/cgd

cc: NMOCD at Hobbs

