MCDONNOLD OPERATING, INC. 505 N. Big Spring, Suite 204 Midland, TX 79702 (915) 682-6396

January 29, 1996

New Mexico Oil Conservation Division Oil and Gas Drilling Permits P. O. Box 2308 Santa Fe, NM 87503-2308

Attn: Mr. Michael Stogner

Re: Non-standard drilling location Eumont Yates-7 RVS-Queen L. W. White NCT-B Tract A Well No. 4 Unit N, Sec. 35 T20-S, R36E Lea County, NM 660' from South Line and 1980' from West Line Total Depth 3670' Formation at TD: Queen

Gentlemen:

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We are requesting administrative approval of non-standard proration unit for the above mentioned well. We have filed application for permit to re-enter to Hobbs District Office. The reason for this request is that we have only 80 acres allowed this lease and the field wide rules call for 360 acres.

All offset operators have been notified of this request as indicated in the attached letter. This acreage is not dedicated to any other well in this field.

Your prompt attention to this matter is greatly appreciated.

Yours very truly,

Linda Johnston, Agent

