EXON COMPANY, U.S.A.

POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

PRODUCTION DEPARTMENT

April 19, 1989

New Mexico FJ State Well No. 1 Lea County, New Mexico

New Mexico Oil Conservation Division P.O. Box 1980 Hobbs, New Mexico 88240

Attention Jerry T. Sexton, Supervisor

Exxon requests administrative approval to drill the captioned well as an unorthodox location with possible completions in the Salt Lake Morrow South, Salt Lake Atoka South, and Salt Lake Bone Springs Pools.

This well was staked at the optimum geologic location, 1650' FSL & 990' FEL of Section 32, T20S, R33E in Lea County. It is too close to the end boundary of the proration unit.

By copy of this letter, offset operators are notified of our intent to drill this well at an unorthodox location.

Offset operators notified are:

MWJ Producing Company, 400 W. Illinois, Ste. 1100, Midland, TX 79701 Enron Oil & Gas Company, 508 W. Wall, Ste. 900, Midland, TX 79701 Grace Petroleum, 6501 N. Broadway, Oklahoma City, OK 73116 Texaco Producing Inc., 1401 N. Turner, P.O. Box 728, Hobbs, NM Southwestern Resources, 1111 W. Country Club Road, Roswell, NM Enerloc Resources Inc., 1221 Mechem Drive, Ruidoso, NM 88345 Moroilco Inc., DR 1, Artesia, NM 88210 Bass Enterprises Production Co., 3700 Claydesta Nat'l Bank, P.O. Box 2760 Midland, TX 79702

Sincerely

Charlotte Larper Charlotte Harper

Permits Supervisor

CHH: jjf Attachments