

Mid-Continent Region Exploration/Production **Conoco Iric.** 10 Desta Drive, Suite 100W Midland, TX 79705-4500 (915) 686-5400

January 27, 1999

Mr. Michael Stogner New Mexico Oil Conservation Division 2040 S. Pacheco Santa Fe, New Mexico 87504

RE: Application for Non-standard Proration Unit & Location SEMU Burger#121 Section 18, T-20-S, R-38-E, N 2810' FWL & 660' FSL API 30-025-29089 Eumont Seven Rivers Queen (Pro Gas) 76480 Lea County, NM

Dear Mr. Stogner,

The SEMU well # 121 is now temporarily abandoned. Conoco, Inc would like to recomplete this well to test and produce the Eumont Seven Rivers Gas pool. Production from the intended zone is insufficient to allow for a new drill. The location of the wellbore is primarily non-standard with reference to the 40-acre (SW/4 of SE/4) tract directly east, which is operated by Conoco. The ownership on this 40-acre tract is identical to that of the #121. We hesitated to include this tract in our 120-acre proration unit because of crossing the quarter section lines.

The offset operator plat shows the operators that could be affected by this non-standard location request. Please find attached a listing of the offset operators and evidence that they have been appropriately notified.

Conoco, Inc. requests that a non-standard location order be granted based on the reasons stated above. If there are any further questions concerning this application please call me at (915) 686-5798.

Sincerely.

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Kay/Maddox Regulatory Agent

CC: Oil Conservation Division - Hobbs