

October 10, 1994

State of New Mexico Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 88504

Attention: Mr. Michael E. Stogner, Hearing Examiner

RE: Application of OXY USA Inc. for Unorthodox Gas Well Location and Simultaneous Dedication for the State N #6, 2050 FSL 2020 FWL Sec 2 T22S R36E, Eumont Yates 7 RVRS Qn (Pro Gas), Lea County, New Mexico

Dear Sir:

OXY USA Inc. respectfully requests administrative approval of this application for the subject Unorthodox Gas Well Location and Simultaneous Dedication.

OXY is planning to drill and complete the State N #6 in the Eumont Yates 7 RVRS Qn (Pro Gas) Pool. In order to produce this well, it is necessary to simultaneously dedicate the existing 160-acre Eumont Gas Proration Unit currently assigned to our State N #5. This well had been staked at a legal location, but had to be moved to avoid a pipeline, which resulted in an unorthodox location.

Attached is the Form C-102 for the State N #6 and #5 wells, and a map showing offset operators. A copy of this letter and attachments are being furnished by Certified Mail to offset operators as their notice of this application.

If you have any questions relating to this application, please contact me @ 915-685-5913 or David Stewart at 915-685-5717. Thank you for considering our application.

Sincerely,

Richard E. Foppiano Regulatory Affairs Advisor Western Region - Midland

Attachment

CC: NMOCD - Hobbs Office Service List