

Midland Division Exploration Production Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500 (915) 686-5400

March 14, 1995

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

Re: Administrative Application of Conoco Inc. for an Unorthodox Gas Well Location at 2930' FNL & 2087' FWL Unit K, Sec. 4, T-21S, R-36E, Lea County, New Mexico due to Surface Constraints and for Simultaneous Dedication to Eumont Gas Production with the Meyer B-4 No. 15

Dear Mr. Stogner:

Conoco requests administrative approval for an unorthodox location, due to surface constraints of roads, pipelines, and powerlines, for its proposed Meyer B-4 No. 31 Eumont gas well, to be located at 2930' FNL and 2087' FWL, Unit K, Sec. 4, T-21S, R-36E, Lea County, New Mexico. EXHIBIT A is a C-102 Well Location and Acreage Dedication Plat showing the staked location at only 290' from the interior quarter-quarter line immediately north of the proposed location. This unorthodox location encroaches only upon the prescribed 330-foot set back from this interior quarter-quarter line (by 40') and does not encroach upon the boundary of any offset operator.

EXHIBIT B is a plat showing (a) the proposed well Meyer B-4 No. 31, (b) the 160-acre NSPU currently dedicated to Meyer B-4 No. 15 in unit C, and (c) the offset operators to the NSPU. This plat shows that the proposed location does not encroach on any other lease or operator. The only two offset operators to the entire 160-acre NSPU besides Conoco are Chevron to the West and Meridian to the North.

EXHIBIT C is a surveyor's enlargement drawing of the surface within unit K. The proposed well pad shown in the middle of the drawing was placed as far south toward a standard location as possible. As can be seen from this drawing, numerous pipelines and roads prevented staking at a standard location to the south. Due to the many surface obstructions, it was impossible to stake this proposed well at a standard location.