



Midland Division  
Exploration Production

Conoco Inc.  
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(915) 686-5400

November 30, 1995

Mr. William J. LeMay  
State of New Mexico  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87504

**Re: Application to**

- (1) Approve an Unorthodox Gas Well Location for Conoco's Proposed Lynn B-1 No. 17, located at 810' FNL & 660' FEL, Sec. 26, T-23S, R-36E, Lea County, and**
- (2) Simultaneously Dedicate Wells No. 1, 3, 4, & 17 to the existing 640 Standard Proration Unit**

Dear Mr. LeMay:

EXHIBIT A shows (a) the 640-acre standard proration unit, (b) the proposed Well No. 17, (c) currently producing Wells No. 1, 3, 4, and 16, (d) a plugged Well No. 2, and (e) the offset operators to this proration unit. The original Jalmat producer in the NE/4 of Sec. 26 was the Well No. 2 which was drilled in 1948. The No. 2 wellbore was junked, had to be plugged, and was replaced by Well No. 16 in 1974.

On November 4, 1974 Division Order No. R-4905 was issued (a) approving the simultaneous dedication of Wells No. 1, 3, 4, and 16 to these 640 acres and (b) authorizing the unorthodox gas well locations for Wells No. 3, 4, and 16. Well No. 16 has developed wellbore plugging problems and attempts to clean it out has caused severe caving of the wellbore in this open hole completion. Since this wellbore cannot be repaired to continue efficient drainage of the NE/4 of the section, a replacement wellbore needs to be drilled.