

Midland Division
Exploration Production

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

April 28, 1995

Oil Conservation Division P.O. box 108 Sante Fe, New Mexico 87502

RE: Administrative Application for an Unorthodox Gas Well Location for the Recompletion of Conoco's Jack B-17

No. 5, located at 1650' FNL and 660' FEL, Sec. 17, T-24S, R-37E, Lea County, New Mexico, to the Jalmat Gas Pool and Simultaneous Dedication with Well Nos. 2, 3, and 4 to an Existing 320-Acre Non-Standard Proration Unit

Established by Order No. R-4779.

Gentlemen:

As shown by the attached plat (EXHIBIT A), the Jack B-17 No. 5 well is within the boundary of an existing 320-acre non-standard proration unit established for the N/2 of Section 17 that is dedicated to Jalmat Gas production from Well Nos. 2, 3, and 4. Well No. 5 is a depleted Langlie Mattix oil well which is now available to be recompleted in the Jalmat Gas Pool to improve the recovery efficiency from this pool in the N/2 of section 17.

Recompletion of this well to the Jalmat will recover additional gas reserves that will not justify the drilling of a new well at a standard location. The location of this proposed recompletion is non-standard only to the east, where it is offset by two existing producers.

All offset operators (shown in EXHIBIT B), to this proposed unorthodox gas well location and simultaneous dedication request of four gas wells to this NSPU, have been notified by certified mail of the filing of this application. Copies of the mail receipts are also attached as EXHIBIT C.

Conoco requests that this unorthodox gas well location for development of additional Jalmat Gas Pool reserves and the simultaneous dedication of Jack B-17 Nos. 2, 3, 4, and 5 be approved by administrative order. If there are any further questions concerning this application, please contact me at (915) 686-6548. Thank you.

Very truly yours,

Jerry W. Hoover

Sr. Conservation Coordinator

cc: Hobbs District OCD Office