EXON COMPANY, U.S.A.

POST OFFICE BOX 1600 . MIDLAND, TEXAS 79702

PRODUCTION DEPARTMENT MIDCONTINENT DIVISION July 6, 1977

File No. 22-4

Request for Exception to Rule 4 for Fowler - Upper Yeso Pool, J.A.E. Knight, Well No. 2 Lea County, New Mexico

New Mexico Oil Conservation Commission P.O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey

Gentlemen:

Attached is Form C-101, Application for Permit to Plug Back, and Form C-102, Well Location and Acreage Dedication Plat for J.A.E. Knight, Well No. 2. This well is now completed in Fowler Ellenburger Pool and will be recompleted in Fowler - Upper Yeso Pool.

Rule 4 of the rules for Fowler - Upper Yeso Pool specifies that each well shall be located within 150 feet of the center of either quarter-quarter section in the 80-acre unit. Administrative approval is requested in accordance with Rule 5 of the rules for the pool as this is a recompletion of a well previously drilled to another horizon and is located 300' FSL and 330' FWL of Section 14, T24S, R37E, Lea County, New Mexico.

Copies of this application are being furnished this date by certified mail to the offset operators. If you as an offset operator have no objection to this application, please execute the attached waiver and forward a copy to the New Mexico Oil Conservation Commission, P.O. Box 2088, Santa Fe, New Mexico 87501, and return a copy to this office.

The offset operators are listed below:

Shell Oil Company, Box 1509, Midland, Texas 79702 Amoco Production Company, Box 3092, Houston, Texas 77001 Continental Oil Company, Box 431, Midland, Texas 79702 Crown Central Petroleum Corporation, Box 1168, Balitmore, MD 21203 Gulf Oil Corporation, Box 1150, Midland, Texas 79702 HNG Oil Company, Box 2267, Midland, Texas 79702 Texaco, Inc., Box 3109, Midland, Texas 79702

Very truly yours,

La Ry-

L.H. Byrd

MK/sm Attachments cc: NMOCC, Hobbs, New Mexico (2)

JUL (1977 CIL CONSERVATION COMM. HOBBS, N. M.