



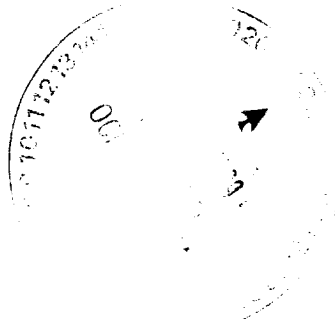
NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

July 19, 1999

Mewbourne Oil Company
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151



Administrative Order NSL-4329

Dear Mr. Bruce:

Reference is made to the following: (i) your application dated June 8, 1999 on behalf of the operator Mewbourne Oil Company ("Mewbourne"); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Mewbourne's request for an unorthodox Morrow gas well location for the proposed Esperanza "28" Fee Com. Well No. 1 to be drilled 1750 feet from the South line and 660 feet from the East line (Unit L) of Section 28, Township 21 South, Range 27 East, NMPM, Burton Flat-Morrow Gas Pool, Eddy County, New Mexico.

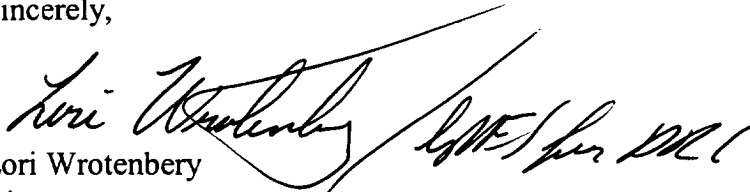
The W/2 of Section 28 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing and proration unit for the Burton Flat-Morrow Gas Pool.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the Morrow formation than a well drilled at a location considered to be standard.

The application has been duly filed under the provisions of Division Rule 104.F.

By the authority granted me under the provisions of Division Order No. R-8170-E-1, issued in Case 9872 and dated October 28, 1991, and Division Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia /