



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

April 9, 1998

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OIL CON. DIV.  
DIST. 3

Mallon Oil Company  
P. O. Box 3256  
Carlsbad, New Mexico 88220  
Attention: Terry Lindeman

*Administrative Order NSL-3992*

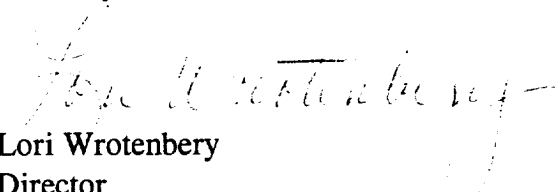
Dear Mr. Lindeman:

Reference is made to your application dated March 19, 1998 for a non-standard Pictured Cliffs gas well location for your proposed Jicarilla 459-17 Well No. 9 (API No. 30-039-25763) to be drilled 1850 feet from the North line and 2510 feet from the East line (Unit G) of Section 17, Township 30 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. The NE/4 of said Section 17 is to be dedicated to said well in order to form a standard 160-acre gas spacing and proration unit for the East Blanco-Pictured Cliffs Pool.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General 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 - Aztec /  
U. S. Bureau of Land Management - Farmington