ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT



OIL CONSERVATION DIVISION

BRUCE KING

October 22, 1991

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Barbara Fasken, Oil Operator 303 West Wall, Suite 1900 Midland, Texas 79701-5116

Attention: Jimmy Davis, Jr.

Administrative Order NSL-3062

Dear Mr. Davis:

Reference is made to your application dated September 11, 1991 for a non-standard Atoka gas well location for your existing Feil Federal Well No. 1 which was drilled in 1975 and completed in the Cemetery Morrow Gas Pool at a previously approved unorthodox gas well location (Division Order No. R-4990, dated March 25, 1975) 660 feet from the North and West lines (Unit D) of Section 28, Township 20 South, Range 25 East, NMPM, Eddy County, New Mexico.

It is my understanding that the Atoka formation has recently been perforated and both zones will be commingled downhole under the authority of Division Administrative Order DHC-810. The N/2 of said Section 28 shall be dedicated to the well which is considered a standard 320-acre gas spacing and proration unit for both horizons.

By authority granted me under the provisions of Division General Rule 104.F.(1), the above described unorthodox gas well location is hereby approved. Further, the provisions of both Orders DHC-810 and R-4990 shall remain in full force and effect until further notice.

Sincerely. WILLIAM J. LEM Director

WJL/MES/jc

cc: Oil Conservation Division - Artesia USBLM - Carlsbad File: DHC-810