

OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE. NEW MEXICO

September 24, 1956

Austral Cil Exploration Company, Inc. 300 San Jacinto Building Houston 2, Texas

Attention: Mr. W. G. Smith

Administrative Order NSL-61

Centlemen:

Reference is made to your application for approval of an unorthodox well location for your State Well No. 2 to be located 2310 feet from the South line and 910 feet from the East line and in the NE/h SE/h of Section 1, Township 16 South, Range 35 East, Townsend Wolfcamp Pool, Lee County, New Mexico.

It is our understanding that this unorthodox well location is based upon extreme surface conditions of existing runways in the SE/h of said section.

Insemuch as you are the only offset operator effected, it is possible for immediate approval to be granted. Therefore, by authority granted me under provisions of Rule 10h (f) of the Statewide Rules and Regulations, you are hereby granted an exception to Rule 10h (d) of the Statewide Rules and Regulations for the above described unorthodox well location.

Very truly yours,

A. L. PORTER, JR. Secretary-Director

WWM:nc cc: OCC. Hobbs