OIL CONSERVATION COMMISSION P. Q. BOX 2068 SANTA FE, NEW MEXICO

September 21, 1965

Pan American Petroleum Corporation Post Office Box 68 Hobbs, New Mexico

Attention: Mr. V. E. Staley

Administrative Order NSL-360

Gentlemen:

Reference is made to your application for approval of an unorthodox well location for your Pardue Gas Unit - USA Well No. 1 to be located 1140 feet from the South line and 1350 feet from the West line of Section 27. Township 21 South, Range 24 East, NMPM, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico.

By authority granted me under the provisions of Order No. R-2440, the above-described unorthodox well location is hereby approved.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/JMD/esr

cc: Oil Conservation Commission - Artesia Oil & Gas Engineering Committee - Hobbs U. S. Geological Survey - Roswell