



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

June 22, 1993

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762

Attention: L.M. Sanders

Corrected Administrative Order NSL-3238

Dear Mr. Sanders:

It has been called to our attention that Division Administrative Order NSL-3238, dated May 14, 1993, omitted certain details, thereby making it necessary for a correction to be issued. Said Order NSL-3238 is hereby rescinded in its entirety and replaced at this time.

Reference is made to your application dated April 14, 1993 for an unorthodox South Culebra Bluff-Atoka gas well location in an existing standard 320-acre gas spacing and proration unit comprising the W/2 of Section 36, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. Said spacing unit presently has dedicated thereon the Malaga "C" Well No. 1 located at a standard gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 36.

It is our understanding that you proposed Malaga "C" Well No. 3 is to be drilled 990 feet from the South line and 1980 feet from the West line (Unit N) of said Section 36.

By the authority granted me under the provisions of General Rule 104.F.(2), the replacement Atoka gas well to be drilled at the above-referenced unorthodox gas well location is hereby approved.

Corrected Administrative Order NSL-3238

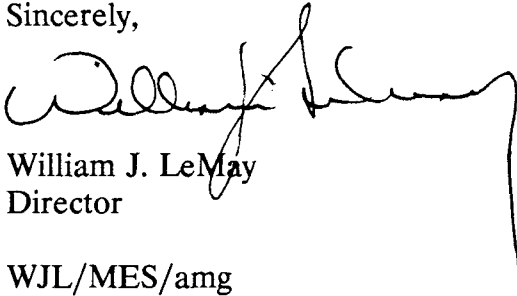
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It is further order that pursuant to Division General Rule 104.C.(2) and to the two Division Director's Memorandums dated July 27, 1988 and August 3, 1990 that the Malaga "C" Well No. 1 will either be plugged and abandoned or the Atoka interval will be properly sealed and plugged back to a shallower interval.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long horizontal flourish extending to the right.

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
NM State Land Office - Santa Fe