



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 18, 1997

H. L. Brown, Jr.
c/o W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504-2265

Administrative Order NSL-3769

Dear Mr. Kellahin:

Reference is made to your application dated February 4, 1997, as amended on March 18, 1997, on behalf of the operator, H. L. Brown, Jr., for an exception to the "*Special Rules and Regulations for the North Bluit Siluro-Devonian Pool*", as promulgated by Division Order No. R-8586, as amended, requesting authorization to drill the proposed Federal "27-A" Well No. 2 to be drilled at an unorthodox oil well location 2310 feet from the North and East lines (Unit G) of Section 27, Township 7 South, Range 37 East, NMPM, Undesignated North Bluit Siluro-Devonian Pool, Lea County, New Mexico.

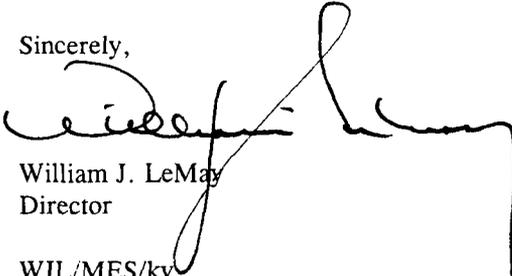
The S/2 NE/4 of said Section 27 being a standard 80-acre oil spacing and proration unit for said pool is to be dedicated to said well.

The geologic interpretation submitted with this application indicates that a well drilled to the south and west of the nearest location considered "standard" in the SW/4 NE/4 of said Section 27 will be at a more favorable geologic position within the Devonian formation underlying the subject 80-acre tract. Topographic conditions further restricts placement of a drilling pad in the southwestern portion of the SW/4 NE/4 of said Section 27.

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"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

By the authority granted me under the provisions of said special pool rules and Division General Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Roswell