NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

ADMINISTRATIVE ORDER OLS-176

Gillespie-Crow, Inc. P.O. Box 2557 Midland, Texas 79702-2557

Attention: Mr. Bill Crow

As an exception to the requirements of Rule 309-A of the Division Rules and Regulations, and pursuant to the provisions of Rule 309-C, the above named company is hereby authorized off-lease storage for West Lovington Strawn Pool production from the following lease:

Lease Name: State 'S' Well No.1

Description: W/2 SE/4, Section 34, Township 15 South, Range 35 East,

Lea County, New Mexico.

The aforementioned production is to be transported prior to measurement and storage at the State 'S' Well No.1 tank battery to be located in Unit L of Section 34, Township 15 South, Range 35 East, Lea County, New Mexico.

NOTE: This installation shall be operated in accordance with the provisions of Rules 309-A and 309-B of the Division Rules and Regulations and there shall be no intercommunication of the handling, separating, treating, or storage facilities designated to each of the above leases.

REMARKS: The operator shall notify the Hobbs district office upon implementation of subject operations.

DONE at Santa Fe, New Mexico, on this 27th day of November, 1995.

WILLIAM J. LEMAY, Director

WJL/BES

cc: Oil Conservation Division - Hobbs

State Land Office - Oil & Gas Division