



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

June 2, 1995

Smith & Marrs, Inc.
Box 863
Kermit, Texas 79445

Attention: Eddy W. Seay

Administrative Order NSP-1727

Dear Mr. Seay:

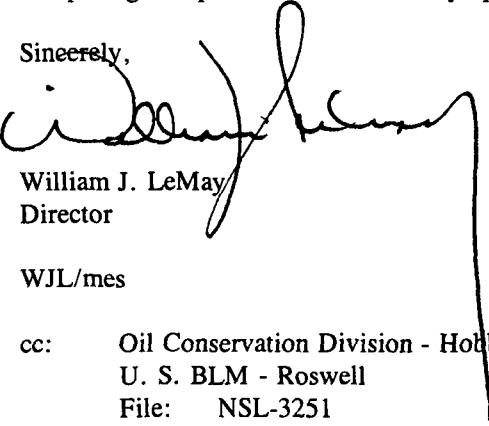
Reference is made to your application dated April 28, 1995 on behalf of the operator, Smith & Marrs, Inc. for a 40-acre non-standard oil spacing and proration unit consisting of the following acreage in the Allison-Pennsylvanian Pool:

ROOSEVELT COUNTY, NEW MEXICO
TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4 SW/4

It is my understanding that this unit is to be dedicated to your existing Junction Federal Well No. 1 (API No. 30-041-20863), located at a previously approved unorthodox oil well location (approved by Division Administrative Order NSL-3251, dated May 27, 1993) 1650 feet from the South and West lines (Unit K) of said Section 17.

By authority granted me under the provisions of Rule 4 of the "*Special Rules and Regulations for the Allison-Pennsylvanian Pool*", as promulgated by Division Order No. R-1389-B, the above-described non-standard oil spacing and proration unit is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/mes

cc: Oil Conservation Division - Hobbs
U. S. BLM - Roswell
File: NSL-3251