STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

May 27, 1993

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

Hanson Operating Company P.O. Box 1515 Roswell, New Mexico 88202-1515

Attention: David Sweeney

Administrative Order NSL-3251

Dear Mr. Sweeney:

Reference is made to your application dated April 19, 1993 for a non-standard Allison-Pennsylvanian oil well location for your existing Junction Federal Well No. 1 which was drilled to a total depth of 11,935 feet in February/March, 1993 to test the Devonian formation at a standard oil well location 1650 feet from the South and West lines (Unit K) of Section 17, Township 8 South, Range 37 East, NMPM, Roosevelt County, New Mexico.

It is my understanding that the Devonian zone was recently plugged back and said well was recompleted to the Undesignated Allison-Pennsylvanian Pool, which pursuant to RULE 3 of the Special Rules and Regulations for the Allison-Pennsylvanian Pool as promulgated by Division Order No. R-1389-B, dated August 26, 1959 is unorthodox. Further, the E/2 SW/4 of said Section 17 shall be dedicated to the well forming a standard 80-acre oil spacing and proration unit for said pool.

By the authority granted me under the provisions of Division Memorandum No. 4-86 and the Special Rules and Regulations for the Allison-Pennsylvanian Pool, the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMa

Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs

U.S. Bureau of Land Management - Roswell