BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

December 13, 1993

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

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762

Attention: Larry M. Sanders

Administrative Order NSL-3336(SD)

Dear Mr. Sanders:

Reference is made to your application dated November 18, 1993, for an unorthodox Tubb gas well location in an existing standard 160-acre gas spacing and proration unit (GPU) for said Tubb Oil and Gas Pool comprising the NW/4 of Section 24, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU presently has dedicated to it the Sims Well No. 3 located at a standard gas well location 1980 feet from the North and West lines (Unit F) of said Section 24.
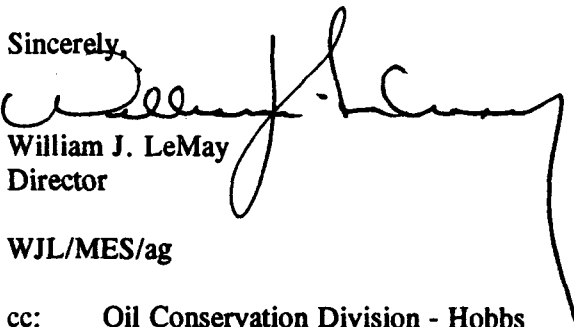
It is our understanding that the subject well in this application is currently completed in the Wantz Granite Wash Pool at a standard oil well location 1980 feet from the North line and 550 feet from the West line (Unit E) of said Section 24. Further, it is our understanding that the Granite Wash zone will be properly plugged back off and said well will be recompleted to the Tubb interval, which pursuant to the Special Rules and Regulations for the Tubb Oil and Gas Pool, as promulgated by Division Order No. R-8170, as amended, is an unorthodox gas well.

By authority granted me under the provisions of Rule 2(c) of said Special Rules and Regulations, the following described well located at an unorthodox gas well location is hereby approved:

Sims Well No. 10
1980' FNL - 550' FWL (Unit E)

Also, you are hereby authorized to simultaneously dedicate Tubb Gas production from the Sims Well No. 3 with the Sims Well No. 10. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both of said wells in any proportion.

Sincerely,

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs