STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA GOVERNOR POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

September 11, 1983

Santa Fe Energy Company 7200 I-40 Amarillo, Texas 79106

Attention: Bill A. Schaefer, Jr.

Administrative Order NSL-1732

Gentlemen:

Reference is made to your application for a non-standard location for your Neely Well No. 1 located 990 feet from the North line and 990 feet from the East line of Section 28, Township 22 South, Range 27 East, Morrow formation, Eddy County, New Mexico.

By authority granted me under the provisions of Rule 104 F of the Division Rules and Regulations, the above-described unorthodox location is hereby approved.

Sincerely

JOE D. RAMEY,

Director

JDR/RLS/dp

cc: Oil Conservation Division - Artesia

Oil & Gas Engineering Committee - Hobbs

Oil & Gas Division - State Land Office - Santa Fe