

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

POST OFFICE BOX 2088

STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

February 4, 1986

Beach Exploration Inc. P. O. Box 3669 Midland, Texas 79702

Attention: Barbara Watson

Administrative Order NSL-2223

Dear Ms. Watson:

Reference is made to your application for a non-standard oil well location for your Depco State Well No. 1 to be located 230 feet from the South line and 330 feet from the West line (Unit M) of Section 19, Township 16 South, Range 29 East, NMPM, Undesignated High Lonesome (Queen) Pool, Eddy County, New Mexico. Lot 4 of said Section 19, comprising approximately 25.5 acres and being a legal subdivision of the U. S. Public Land Surveys, is to be dedicated to said well pursuant to Rule 104.H of the Division's General Rules and Regulations.

By authority granted me under the provisions of Rule 104 F(I), the above-described unorthodox oil well location is hereby approved.

Sincerely,

R. L. STAMETS,

Director

RLS/MS/dr

Oil Conservation Division - Artesia

Oil & Gas Division - State Land Office - Santa Fe