



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

September 14, 1988

Mitchell Energy Corporation
P.O. Box 4000
The Woodlands, TX 77387-4000

Attention: George Mullen
Regulatory Affairs Specialist

Administrative Order NSL-2577

Dear Mr. Mullen:

Reference is made to your application of August 25, 1988 for a non-standard gas well location for your Sapphire Federal Well No. 1 to be located 1650 feet from the South and East lines (Unit J) of Section 23, Township 19 South, Range 33 East, NMPM, Undesignated East Gem Morrow Gas Pool, Lea County, New Mexico. The S/2 of said Section 23 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

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

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Lea
New Mexico Oil & Gas Engineering Committee - Hobbs
US Bureau of Land Management - Roswell