



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

October 7, 1988

Foran Oil Company
c/o Kellahin, Kellahin & Aubrey
P.O. Box 2265
Santa Fe, NM 87504-2265

Attention: W. Thomas Kellahin

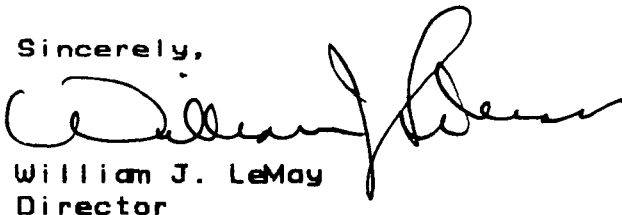
Administrative Order NSL-2591

Dear Mr. Kellahin:

Reference is made to your application of October 5, 1988 on behalf of Foran Oil Company for a non-standard gas well location for your State "ET" Gas Cam Well No. 1 located 1650 feet from the South and East lines (Unit J) of Section 36, Township 15 South, Range 27 East, NMPM, Diamond Mound Atoka-Morrow Gas Pool, Chaves County, New Mexico. The E/2 of said Section 36 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(1), the above-described unorthodox gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Artesia
New Mexico Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe

REMARKS: This well was originally permitted and drilled at a standard gas well location for the Buffalo Valley-Pennsylvanian Gas Pool. On August 23, 1985, the Division issued a Nomenclature Order R-8021 which reclassified Section 36 to the Diamond Mound Atoka-Morrow Gas Pool and made the subject well an unorthodox well location.