

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 25, 1988

Chevron USA, Inc.  
P.O. Box 670  
Hobbs, NM 88240

Attention: M. E. Akins  
Staff Drilling Engineer

Administrative Order NSL-2593

Dear Mr. Akins:

Reference is made to your application of October 3, 1988 for a non-standard gas well location for your Lee "K" Federal Well No. 1 to be located 1780 feet from the South line and 2080 feet from the East line (Unit J) of Section 21, Township 22 South, Range 26 East, NMPM, Undesignated Happy Valley-Morrow Gas Pool, Eddy County, New Mexico. The E/2 of said Section 21 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit.

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

Sincerely,

A handwritten signature in black ink, appearing to read "William J. Lemay". The signature is written in a cursive style and is connected to the typed name below it by a long, thin line that extends downwards and to the right.

William J. Lemay  
Director

WJL/MES/ag

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