STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

November 23, 1988

Elk Oil Company P.O. Box 310 Roswell, NM 88202

Attention: Joseph J. Kelly

Administrative Order NSL-2609

Dear Mr. Kelly:

Reference is made to your application of November 23, 1988 for a non-standard gas well location for your W.R. State Well No. 4 to be located 660 feet from the South line and 990 feet from the East line (Unit P) of Section 24, Township 9 South, Range 26 East, NMPM, to test all formations from the base of the Mississipian formation to the top of the Pre-Cambrian formation, Chaves County, New Mexico. The S/2 of said Section 24 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(II), the above-described unorthodox gas location is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

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