



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

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

January 16, 1991

Pyramid Energy, Inc.  
Pacific Plaza  
14100 San Pedro, Suite 700  
San Antonio, TX 78232

Attention: Scott Greaf, Production Engineer

*Administrative Order NSL-2976*

Dear Mr. Greaf:

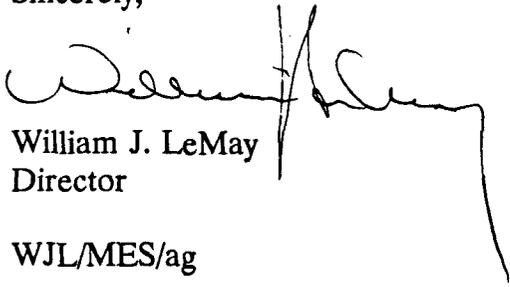
Reference is made to your applications dated December 11, 1990 and January 2, 1991 for three unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within your East Pearl-Queen Unit Waterflood Project, established by Division Order No. R-2538, as amended. The following described wells are to be located in Township 19 South, Range 35 East, NMPM, Pearl-Queen Pool, Lea County, New Mexico.

<i>WELL NUMBER</i>	<i>FOOTAGE LOCATION</i>	<i>UNIT</i>	<i>SECTION</i>	<i>DEDICATED 40-ACRE TRACT</i>
77	2563' FSL & 40' FEL	I	28	NE/4 SE/4
82	1500' FSL - 1410' FWL	K	27	NE/4 SW/4
85	140' FSL - 1330' FWL	N	27	SE/4 SW/4

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By the authority granted me under the provisions of General Rule 104 F(I) and Division Order No. R-2538, as amended, the above-described unorthodox oil well locations are hereby approved.

Sincerely,



William J. LeMay  
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs