



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

September 14, 1992

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

Elk Oil Company
Box 310
Roswell, New Mexico 88202

Attention: Joseph J. Kelly

AMENDED
Administrative Order NSL-3114

Dear Mr. Kelly:

Reference is made to your application dated August 11, 1992 requesting the amendment of Division Administrative Order NSL-3114, dated May 15, 1992, which order authorized the unorthodox location of the Celtic State Well No. 1 to be drilled 1650 feet from the North line and 990 feet from the West line (Unit E) of Section 13, Township 8 South, Range 27 East, NMPM, Chaves County, New Mexico.

The reason for this amendment, as I understand, is to change this order to reflect the actual well location for the Celtic State Well No. 1 which was erroneously drilled 1350 feet from the North line and 990 feet from the West line (Unit E) of said Section 13.

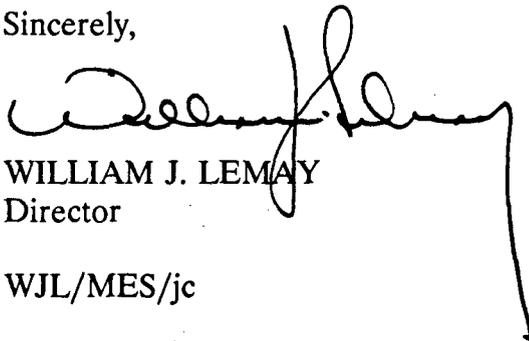
I understand further that this well was plugged back into the San Andres formation at a depth of approximately 2369 feet and now has dedicated thereon the SW/4 NW/4 of said Section 13 thereby forming a standard 40-acre oil spacing and proration unit.

All off-set operators to the affected 40-acre tract have waived objection to the subject well location.

Elk Oil Company
Amended *Administrative Order NSL-3114*
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By the authority granted me under the provisions of General Rule 104.F(1), the above-described unorthodox oil gas well location is hereby approved. Further, said Division Administrative Order NSL-3114 shall be amended to show the actual well location as described above, all other provisions of this order shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. Lemay', is written over the typed name. The signature is fluid and cursive, with a long vertical stroke extending downwards from the end of the name.

WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Artesia
NMSLO - Santa Fe