



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



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

August 22, 1994

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

Fasken Oil and Ranch Interests  
303 West Wall Avenue - Suite 1900  
Midland, TX 79701-5116

Attention: Carl Brown

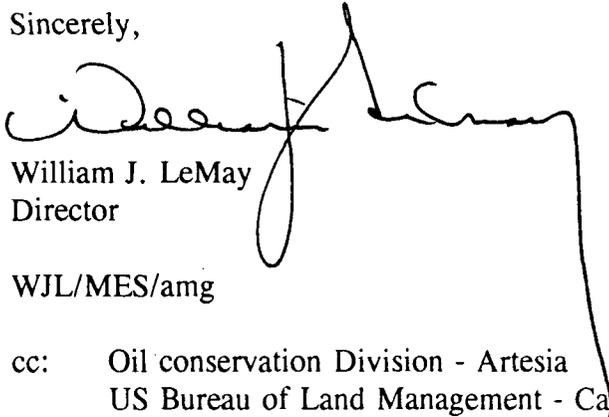
*Administrative Order NSL-3419*

Dear Mr. Brown:

Reference is made to your application dated July 21, 1994 to re-enter the plugged and abandoned Durham, Inc. Shell Federal Com Well No. 1, located 660 feet from the North line and 2010 feet from the East line (Unit B) of Section 8, Township 21 South, Range 24 East, NMPM, Eddy County, New Mexico, to test the Wolfcamp formation, Undesignated Indian Basin-Upper Pennsylvanian Gas Pool, and Undesignated Indian Basin-Strawn Gas Pool. Further, the applicant proposes to dedicate the E/2 of said Section 8 to form a standard 320-acre gas spacing and proration unit for both the Wolfcamp and Strawn intervals, or if applicable, all of said Section 8 to be dedicated to form a standard 640-acre gas spacing and proration unit for the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool.

At this time, the applicant has made a proper filing pursuant to Division General Rule 104.F.(1) and Rule 2(c) of the Special Rules and Regulations for the Indian Basin-Upper Pennsylvanian Gas Pool, as promulgated by Division Order No. R-8170, as amended, therefore the above-described unorthodox gas well location is hereby approved.

Sincerely,

  
William J. LeMay  
Director

WJL/MES/amg

cc: Oil conservation Division - Artesia  
US Bureau of Land Management - Carlsbad