



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

June 12, 1995

Maralo Inc.
P. O. Box 832
Midland, Texas 79702

Attention: Dorothea Logan

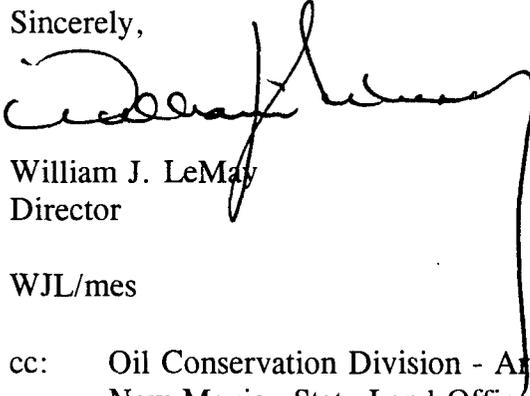
Administrative Order NSL-3541

Dear Ms. Logan:

Reference is made to your application dated May 23, 1995 of an unorthodox gas well location for your proposed Millman "3" State Com Well No. 3 (API No. 30-015-28528) to be drilled 1980 feet from the North line and 2280 feet from the West line (Unit F) of Section 3, Township 19 South, Range 28 East, NMPM, Undesignated Millman-Morrow Gas Pool, Eddy County, New Mexico. Lots 3 and 4, the S/2 NW/4, and SW/4 (W/2 equivalent) of said Section 3 shall be dedicated to the well to form a standard gas spacing and proration unit for said pool that contains 320.90-acre.

By the authority granted me under the provisions of Division General Rule 104.F(1), the above-described unorthodox gas well location is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/mes

cc: Oil Conservation Division - Artesia
New Mexico State Land Office - Santa Fe