



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

December 21, 1995

ARCO Permian
P.O. Box 1610
Midland, Texas 79702

Attention: David B. Percy
Senior Geologist

Administrative Order NSL-3607

Dear Mr. Percy:

Reference is made to your application dated November 29, 1995 to drill your proposed Dorothy "36" State Com Well No. 1 at an unorthodox gas well location 1163 feet from the South line and 1647 feet from the West line (Unit N) of Section 36, Township 17 South, Range 28 East, NMPM, to test the South Empire-Morrow Gas Pool, Eddy County, New Mexico.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the Morrow formation than a well drilled at a location considered to be standard.

The W/2 of said Section 36 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for the subject pool.

By the authority granted me under the provisions of General Rules 104.F(1) and (2), the above-described unorthodox gas well location is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/kv

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