



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

July 31, 2000

Lori Wrotenbery
Director
Oil Conservation Division

Santa Fe Snyder Corporation
c/o W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504-2265

Administrative Order NSL-4498

Dear Mr. Kellahin:

Reference is made to the following: (i) your application on behalf of the operator, Santa Fe Snyder Corporation ("Santa Fe") dated July 6, 2000; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Santa Fe's request for an exception to Division Rule 104.C (2) for its Outland State Unit Well No. 1-Y (API No. 30-025-34818) located at an unorthodox Morrow gas well location 638 feet from the South line and 739 feet from the West line (Unit M) of Section 12, Township 21 South, Range 34 East, NMPM, Undesignated Wilson-Morrow Gas Pool, Lea County, New Mexico.

The W/2 of Section 12 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing and proration unit for this pool.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Morrow gas well location is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: Case No. 12462