



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

March 28, 2001

Lori Wrotenbery
Director
Oil Conservation Division

EOG Resources, Inc.
c/o William F. Carr
Holland & Hart L.L.P. and Campbell & Carr
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Telefax No. (505) 983-6043

Administrative Order NSL-4569

Dear Mr. Carr:

Reference is made to the following: (i) your application on behalf of the operator, EOG Resources, Inc. ("EOG"), dated March 15, 2001; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning EOG's request for approval of its existing Red Tank "24" Federal Com. Well No. 1 (**API No. 30-025-35035**), which was drilled last summer to a depth of 15,100 feet at an unorthodox Morrow gas well location 660 feet from the North line and 2150 feet from the West line (Unit C) of Section 24, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico.

The N/2 of Section 24 is to be dedicated to this well in order to form a standard 320-acre lay-down gas spacing and proration unit for the Undesignated Bootleg Ridge-Morrow Gas 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.

It is our understanding that EOG chose this location within the N/2 of Section 24 for both topographical and geological reasons.

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

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad