

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



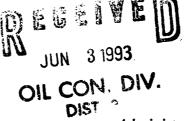
BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

May 27, 1993

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

Robert L. Bayless P.O. Box 168 Farmington, New Mexico 87499



Administrative Order NSL-3252

Dear Mr. Bayless:

Reference is made to your application dated April 16, 1993 for a non-standard Pinon-Gallup oil well location for your existing T. L. Rhodes B Well No. 1E which was drilled in December 1984/January 1985 and completed in the Basin-Dakota Pool at a standard gas well location 790 feet from the South line and 1160 feet from the West line (South) of Section 29, Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Dakota zone will be properly plugged back and said well will be recompleted in the Undesignated Pinon-Gallup Oil Pool, which pursuant to RULE 4 of the Special Rules and Regulations for the Pinon-Gallup Oil Pool, as promulgated by Division Order No. R-3103, dated August 11, 1966, is considered to be unorthodox. Further, the S/2 SW/4 of said Section 20 shall be dedicated to the well forming a standard 80-acre oil spacing and proration unit for said pool.

By the authority granted me under the provisions of RULE 5 of said Special Pool Rules, the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay

Director

cc: Oil Conservation Division - Aztec

U.S. Bureau of Land Management - Farmington