OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

December 12, 1958

Magnolia Petroleum Company P. O. Box 900 Dallas 21, Texas

Attention: William S. Richardson

Administrative Order NSL-172

Gentlemen:

Reference is made to your application for approval of an unorthodox well location for your State "C" Well No. 2 located 330 feet from the South line and 1650 feet from the East line and in the SW/4 SE/4 of Section 16, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

It is our understanding that this unorthodox well location is: occasioned by the recompletion of a well previously drilled to another horizon.

By authority granted me under provisions of Rule 3 of the Special Rules and Regulations of the Jalmat Gas Pool, as set forth in Order R-520, you are hereby granted an exception to Rule 2 of Order R-520 for the above described unorthodox well location. You must also obtain like approval from the U. S. Geological Survey if the well is located on land subject to the jurisdiction of the U.S. Geological Survey.

Very truly yours.

A. L. PORTER, Jr., Secretary-Director

ALP/GEP/OR

cc: Oil Conservation Commission - Hobbs Oil & Gas Engineering Committee - Hobbs