OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

November 1, 1977

Yates Petroleum Corporation Yates Building 207 South 4th Street Artesia, New Mexico 88210

Attention: Eddie M. Mahfood

Administrative Order NSL-895

Gentlemen:

Reference is made to your application for approval of a non-standard location for your State DF Well No. 1 located 660 feet from the North line and 660 feet from the West line of Section 35, Township 17 South, Range 24 East, NMPM, Wolfcamp formation, Eddy County, New Mexico.

Waivers having been received from the offsetting operators, the waiting period may be dispensed with in this instance.

By authority granted me under the provisions of Rule 104 F of the Commission Rules and Regulations, the above-described unorthodox location is hereby approved.

Very truly yours,

JOE D. RAMEY, Secretary-Director

JDR/RLS/dr

cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Hobbs
Central Leasing, State Land Office - Santa Fe