STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

July 10, 1989

Phillips Petroleum Company 4001 Penbrook Odessa, TX 79762

Attention: Larr

Larry M. Sanders

Supervisor, Regulation and Proration

Amended Administrative Order NSL-2662

Dear Mr. Sanders:

Reference is made to your application of June 27, 1989 to amend Administrative Order NSL-2662 as it relates to the location of your proposed M.E. Hale Well No. 20. Said Order NSL-2662 dated June 5, 1989 authorized the drilling of both the M.E. Hale Wells No. 20 and 22 at unorthodox oil well locations in order to complete an efficient production/injection pattern within the Phillips Hale-Mable Vacuum Grayburg San Andres Pressure Maintenance Project Area.

At this time, that portion of said Order NSL-2662 concerning the M.E. Hale Well No. 20 is hereby amended to reflect an unorthodox oil well location for said well to be drilled 1225 feet from the South line and 2000 feet from the West line (Unit N) of Section 35, Township 17 South, Range 34 East, NMPM, Vacuum Grayburg San Andres Pool, Lea County, New Mexico.

All other provisions in said Order No. NSL-2662 shall remain in full force and effect.

Sincerely,

William J. LeMay

Director

cc: Oil Conservation Division - Hobbs

NM Oil and Gas Engineering Committee - Hobbs

NM State Land Office - Santa Fe