



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

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

September 27, 1990

Pyramid Energy, Inc.  
Pacific Plaza  
14100 San Pedro, Suite 700  
San Antonio, TX 78232

Attention: Scott Greaf, Production Engineer

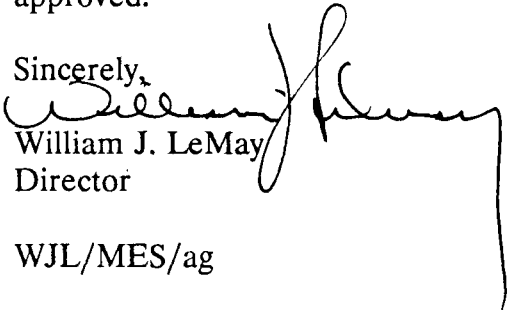
*Administrative Order NSL-2876*

Dear Mr. Greaf:

Reference is made to your application dated September 21, 1990 for a non-standard oil well location to permit the completion of an efficient production/injection pattern within an existing secondary recovery project for your East Pearl Queen Unit Well No. 89 to be located 1310 feet from the North and West lines (Unit D) of Section 34, Township 19 South, Range 35 East, NMPM, Pearl Queen Pool, East Pearl Queen Unit Waterflood Project Area, Lea County, New Mexico. The NW/4 NW/4 of said Section 34 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit for said pool.

By the authority granted me under the provisions of General Rule 104 F(I) and Division Order No. R-2538, as amended, the above-described unorthodox oil well location is hereby approved.

Sincerely,

  
William J. LeMay  
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs