

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

June 12, 1991

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

Avon Energy Corporation  
c/o Alta Energy Corporation  
415 West Wall, Suite 1810  
Midland, TX 79701

Attention: Mitchell L. Solich

*RE: Unorthodox oil well locations, ~~Turner "B" Lease~~, Sections 20 and 29, Township 17 South, Range 31 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico.*

Dear Mr. Solich:

On June 11, 1991, I received eight applications for unorthodox oil well locations to permit the completion of an efficient production/injection pattern within Avon's Turner "B" Lease Waterflood Project. The applications for Well Nos. 88, 92, 93 and 96 are currently being processed as Division Administrative Order NSL-3018. At this time, however, I can not process the applications for Well Nos. 94, 95, 97 and 98, which are indeed unorthodox pursuant to Division General Rule 104.F.I. It appears from the land plat submitted with each filing and pursuant to General Rule 104.F.III. that the dedicated 40-acre tract for each of the four wells offsets acreage controlled by parties other than Avon or Alta. Please provide adequate notice to these offsetting parties pursuant to Rule 104.F.IV. Also, submit copies of such notice to me so that I may start the required 20-day waiting period provided for by General Rule 104.F.IV. without further delay.

Should you have any questions concerning the processing of these eight filings or on any future filings, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", written over a horizontal line.

Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Artesia  
US Bureau of Land Management - Carlsbad