STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

August 12, 1991

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

Mitchell Energy Corporation P.O. Box 4000 The Woodlands, Texas 77387-4000

Attention: George Mullen, Regulatory Affairs Specialist

Administrative Order NSL-3038

Dear Mr. Mullen:

Reference is made to your application dated July 23, 1991 for a non-standard gas well location for your Merit-Record "35" Well No. 1 to be located 990 feet from the South and East lines (Unit P) of Section 35, Township 19 South, Range 35 East, NMPM, Undesignated North Pearl Morrow Gas Pool, Lea County, New Mexico. The E/2 of said Section 35 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

By authority granted me under the provisions of General Rule 104.F.II the above-described unorthodox gas well location is hereby approved.

Sincerely. WILLIAM J. LEMAY Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs NM State Land Office - Santa Fe