STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



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

October 8, 1991

Melzer Exploration Company, Inc. P.O. Box 2083
Midland, Texas 79702-2083

Attention: H. Scott Davis

Administrative Order NSL-3061

Dear Mr. Davis:

Reference is made to your application dated September 5, 1991 for a non-standard gas well location for your Bilberry Well No. 2 to be located 2080 feet from the North line and 1980 feet from the West line (Unit F) of Section 6, Township 20 South, Range 39 East, NMPM, Undesignated House Yates-Seven Rivers Gas Pool, Lea County, New Mexico. The NW/4 equivalent of said Section 6 shall be dedicated to the well forming a standard 40-acre, more or less, oil spacing and proration unit for said pool.

By authority granted me under the provisions of General Rule 104.F.1. the above described unorthodox gas well location is hereby approved.

Sincerely,

WILLIAM J. LEMAY

Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs