STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

February 11, 1994

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

Amoco Production Company P.O. Box 3092 Houston, TX 77253

Attention: H.I. Black

Administrative Order NSL-3073-A

Dear Mr. Black:

Reference is made to your application dated January 17, 1994 for a non-standard Yates gas well location for your existing State "A" Well No. 231 (the former South Hobbs GSA Unit Well No. 231) which was drilled in late 1991 and completed in the Hobbs Grayburg San Andres Pool at a previously approved unorthodox oil well location (Division Administrative Order NSL-3073, dated November 5, 1991) 1562 feet from the North line and 2100 feet from the West line (Unit F) of Section 4, Township 19 South, Range 38 East, NMPM, Lea County, New Mexico.

It is my understanding that the Grayburg-San Andres zone will be properly plugged back and said well will be recompleted to the Undesignated Southeast Byers-Yates Gas Pool which, pursuant to Division General Rule 104.C(2)(a), is unorthodox. Further, Lots 3 and 4 and the S/2 NW/4 (NW/4 equivalent) of said Section 4 shall be dedicated to the well forming a standard 159.84-acre gas spacing and proration unit for said pool.

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

That portion of said Division Administrative Order NSL-3073, as it relates to this well is hereby placed in abeyance until further notice. All other portions shall remain in full force and effect.

Sincerely,

William J. LeMay

Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs

NM State Land Office - Santa Fe

File: NSL-3073