



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

November 23, 1993

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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: Mark N. Stephenson

Amended Administrative Order NSL-3310

Dear Mr. Stephenson:

Reference is made to your application dated October 13, 1993 to amend the location of the Apache "24" Federal Well No. 2, which was approved by Division Administrative Order NSL-3310, dated September 23, 1993. Said well was to have been drilled 660 feet from the North and East lines (Unit A) of Section 24, Township 22 South, Range 30 East, NMPM, to test the Morrow and Devonian formations, Eddy County, New Mexico.

It is our understanding the proposed location was unacceptable to the U.S. Bureau of Land Management since it:

"...would likely interfere with potash mining and result in undue waste of known enclave reserves. It could also prove burdensome to the health and safety of potash miners."

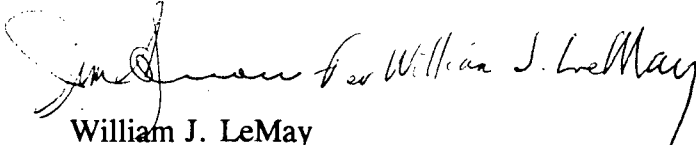
However, a move of merely 330 feet east would be acceptable, which presumably would not interfere with potash mining, would not result in undue waste of known enclave reserves and would not be a hazard to the health and safety of potash miners.

Said Division Order NSL-3310 is hereby amended to reflect the footage location for the Apache "24" Federal Well No. 2 to be "660 feet from the North line and 330 feet from the East line (Unit A) of said Section 24."

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All other provisions of said Order NSL-3310 shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad
US Bureau of Land Management - Santa Fe (Frank Splendoria)
US Department of Energy (WIPP Office) - Carlsbad (Patty Baratti-Sallani)

REMARKS: Approval of this application does not relieve the operator of his responsibility and obligation to existing rules, regulations, policies or statutes imposed by other governmental authorities that may be in effect in this area.