



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 27, 1995

Harken Southwest Corporation
5605 MacArthur Blvd.
Suite No. 400
Irving, Texas 75038

Attention: Michael R. Childers

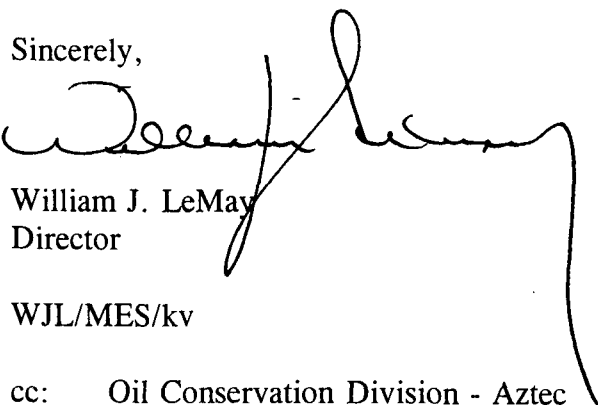
Administrative Order NSL-3509

Dear Mr. Childers:

Reference is made to your application dated March 23, 1995 for a non-standard gas well location to test the Paradox formation for your proposed N. Chimney Rock "10M" Well No. 1 to be drilled 726 feet from the South line and 852 feet from the West line (Unit M) of Section 10, Township 31 North, Range 18 West, NMPM, as projected into the unsurveyed Navajo Indian Reservation, San Juan County, New Mexico. The SW/4 of said Section 10 shall be dedicated to the well forming a standard 160-acre gas spacing and proration unit for said interval.

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/kv

cc: Oil Conservation Division - Aztec
U. S. BLM - Farmington