



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

July 1, 1996

Pogo Producing Company
c/o Hinkle, Cox, Eaton, Coffield & Hensley, P.L.L.C.
P. O. Box 2068
Santa Fe, New Mexico 87504-2068
Attention: James Bruce

Administrative Order NSL-3687

Dear Mr. Bruce:

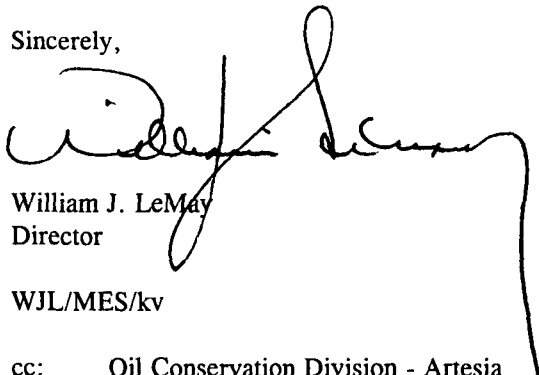
Reference is made to your application on behalf of the operator, Pogo Producing Company, dated June 3, 1996 for a non-standard Delaware oil well location for the existing Lightfoot Well No. 1 (API No. 30-015-24451), which was drilled in 1983 to a total depth of 12,382 feet and was completed in the Malaga-Atoka Gas Pool at a previously approved non-standard gas well location (Division Administrative Order NSL-1677, dated April 5, 1983) 1780 feet from the South line and 2460 feet from the East line (Unit J) of Section 14, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

It is my understanding that said well was recompleted from the Atoka formation to the Malaga-Delaware Pool in December, 1995, which pursuant to Rule 104.C(1)(a) of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996, is also unorthodox. Further, the NW/4 SE/4 of said Section 14 shall be dedicated to the well forming a standard 40-acre oil spacing and proration unit.

The application has been duly filed under the provisions of Division general Rule 104.F; therefore, by the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Said Original Order NSL-1677 shall be placed in abeyance until further notice.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia