



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 2, 1997

Manzano Oil Corporation
P. O. Box 2107
Roswell, New Mexico 88210-2107
Attention: Kenneth Barbe, Jr.

Administrative Order NSL-3822

Dear Mr. Barbe:

Reference is made to your application dated May 6, 1997 for an exception to the "*Special Rules and Regulations for the South Vacuum-Devonian Pool*", as promulgated by Division Order No. R-1382-C, dated September 16, 1960, requesting authorization to drill its proposed "SV" Honey Bee State Well No. 1 at an unorthodox oil well location 2372 feet from the North line and 994 feet from the West line (Unit E) of Section 22, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

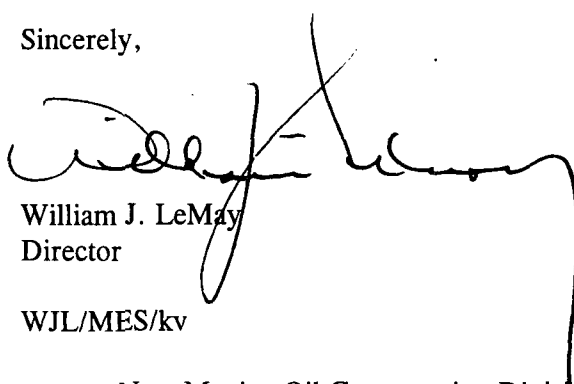
The S/2 NW/4 of said Section 22 being a standard 80-acre oil spacing and proration unit for said pool is to be dedicated to said well.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox oil well location will be at a more favorable geologic position within the Devonian formation than a well drilled at a location considered to be standard.

The application has been duly filed under the provisions of Rule 104.F 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.

By the authority granted me under the provisions of said Special Pool Rules, Division Memorandum 4-86 (dated June 2, 1986), and Division General Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe