



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 15, 1997

Lomak Petroleum, Inc.
P. O. Box 54320
Oklahoma City, Oklahoma 73154-4320
Attn: Carolyn S. Bechtold

Administrative Order NSL-3868(SD)

Dear Ms. Bechtold:

Reference is made to the following: (i) your original application to Mr. Ernie Busch, Geologist of the Division District Office in Aztec, New Mexico, dated July 30, 1997; (ii) your letter to the Division's Santa Fe office dated August 12, 1997; and, (iii) to the records of the Division in Santa Fe: all of which concern Lomak Petroleum, Inc.'s request for two non-standard oil well locations in the Devils Fork-Gallup Associated Pool within a single standard 160-acre oil spacing and proration unit for said pool comprising the SW/4 of Section 24, Township 24 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

By authority granted me under the provisions of Rule 2(c) of the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico/Special Rules and Regulations for the Devils Fork-Gallup Associated Pool*," as promulgated by Division Order No. R-5353, as amended, the following described wells to be drilled at unorthodox oil well locations in the Devils Fork-Gallup Associated Pool are hereby approved:

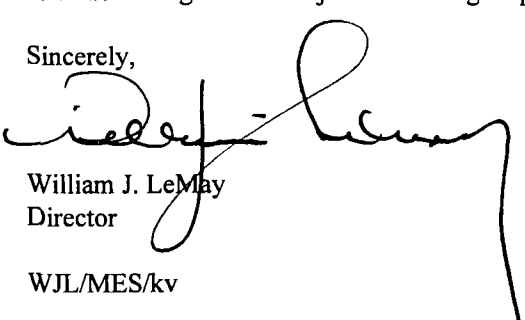
Rincon Largo Federal "24" Well No. 1
(API No. 30-039-25716)
2290' FSL - 475' FWL (Unit L)

&

Rincon Largo Federal "24" Well No. 2
(API No. 30-039-25715)
1920' FSL - 2250' FWL (Unit K)

Also, you are hereby authorized to simultaneously dedicate Devils Fork-Gallup Associated Pool oil production from both the Rincon Largo Federal "24" Well Nos. 1 and 2. Furthermore, you are hereby permitted to produce the allowable assigned the subject 160-acre gas spacing and proration unit from both wells in any proportion.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: New Mexico Oil Conservation Division - Aztec
U. S. Bureau of Land Management - Farmington