



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

April 19, 1999

Home-Stake Oil & Gas Company
15 East 5th Street – Suite 2800
Tulsa, Oklahoma 74103-4311
Attention: Barbara Courtney Long

Administrative Order NSL-4259

Dear Ms. Long:

Reference is made to your application dated March 24, 1999 for an unorthodox oil well location in the Undesignated South McCormack-Silurian Pool for Home-Stake Oil & Gas Company's proposed Sarah Johnston Well No. 2 to be drilled 1600 feet from the South line and 2288 feet from the East line (Unit J) of Section 22, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. The NW/4 SE/4 of Section 22 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit.

The application has been duly filed under the provisions of Rule 104.F of the Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

A handwritten signature in cursive script, reading "Lori Wrotenbery". To the right of the signature is a large, stylized flourish or mark that resembles the letters "LW".

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs