

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



March 3, 1987

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

McKay Oil Corporation
P. O. Box 2014
Roswell, New Mexico 88202

Attention: James L. Schultz

Administrative Order NSP-1506 (L)

Gentlemen:

Reference is made to your application for a 137.56-acre, more or less, non-standard gas proration unit consisting of the following acreage in the West Pecos Slope Abo Gas Pool:

CHAVES COUNTY, NEW MEXICO
TOWNSHIP 6 SOUTH, RANGE 22 EAST, NMPM
Irregular Section 4: Lots 1 and 2 and the
S/2 SE/4

It is my understanding that this unit is to be dedicated to your Pierce Federal Well No. 1 to be drilled at an unorthodox gas well location 460 feet from the South and East lines of said Section 4, hereby approved under the provisions of Division General Rule 104.F(I).

By authority granted me under the provisions of Division General Rule 104.D.II, the above non-standard gas proration unit is hereby approved.

Sincerely,


WILLIAM J. LEMAY, DIRECTOR

WJL/MS/dr

cc: Oil Conservation Division - Artesia
Bureau of Land Management - Roswell