



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

January 6, 1993

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ANITA LOCKWOOD
CABINET SECRETARY

BHP Petroleum (Americas) Inc.
5847 San Felipe
Suite 3600
Houston, Texas 77057

Attention: C. Carl Kolbe

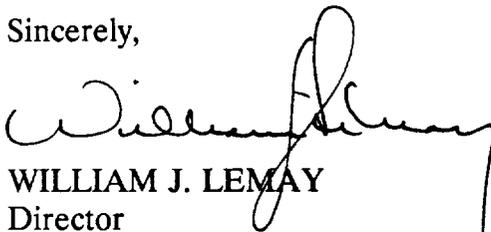
Administrative Order NSL-3214

Dear Mr. Kolbe:

Reference is made to your application dated December 15, 1992 for a non-standard gas well location for your Puffer State "A" Well No. 1 to be located 1980 feet from the South line and 1250 feet from the West line (Unit K) of Section 24, Township 8 South, Range 27 East, NMPM, Undesignated Palma Mesa Silvro - Ordovician Gas Pool, Chaves County, New Mexico. The S/2 of said Section 24 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit.

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

Sincerely,



WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Artesia
NMSLO - Santa Fe
File: NSL-2942

NSL-3214