



NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

August 27, 1999

Mewbourne Oil Company
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151

Administrative Order NSL-4351

Dear Mr. Bruce:

Reference is made to the following: (i) your application dated July 29, 1999 on behalf of the operator, Mewbourne Oil Company ("Mewbourne"); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Mewbourne's request to drill its proposed Federal "R" Well No. 2 at an unorthodox Morrow gas well location 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 17, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico.

The S/2 of Section 17, being a standard 320-acre lay-down gas spacing and proration unit for the Logan Draw-Morrow Gas Pool, is to be dedicated to this well.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the Morrow formation than a well drilled at a location considered to be standard within the SE/4 of Section 17.

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

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

Sincerely,

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
Paul Haden, Mewbourne Oil Company - Midland, TX (Telefax No. (915) 685-4170)

