Santa Fe, New Mexico 87501

July 26, 1983

HNG Oil Company P. O. Box 2267 Midland, Texas 79702

THE CATE

Attention: Betty A. Gildon Regulatory Clerk

Administrative Order TX-111

Gentlemen:

Reference is made to your request for an exception to the tubing setting requirements as contained in Division Rule 107(d)(3) for the below-named well.

Pursuant to the authority granted me by Rule 107(d)(4), you are hereby authorized to set tubing at 10,229 feet in the following well:

Well Name and Number: Loving 1 State Well No. 2

Location: 990' FSL and 2110' FWL of Section 1, T-24-S, R-27-E, NMPM, Eddy County

The Division reserves the right to rescind this authority in the event that waste appears to be resulting therefrom.

7-13-83 crfØ Surf - 10561 2260-10548 10 9/07/1019 2300-5920 CP 2250-5900

TX- 111 HAM. 17-26-83