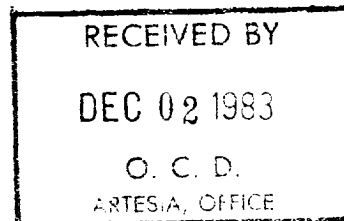


ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
P. O. BOX 2088  
Santa Fe, New Mexico 87501

July 26, 1983

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

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.

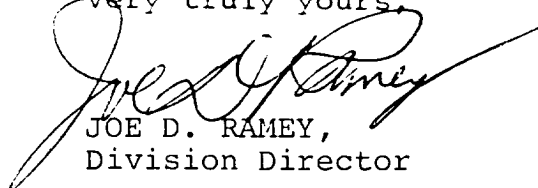
Pursuant to the authority granted me by Rule 107(d)(4), you are hereby authorized to set tubing at 10,229 feet in the following well:

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.

Very truly yours,



JOE D. RAMEY,  
Division Director

JDR/RLS/h

cc: Oil Conservation Division - Artesia  
Well File  
Oil & Gas Division - State Land Office - Santa Fe