ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR October 17, 1991

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O. C. D. ARTESIA OFFICE: POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

BTA Oil Producers 104 South Pecos Midland, Texas 79701

Attn: Dorothy Houghton

RE: Application for an Unorthodox Gas Well Location; Crystal 9105 JV-P Well No. 1., 660' FSL - 1580' FEL (Unit O) of Section 4, Township 24 South, Range 26 East, NMPM, to test the Morrow formation, Eddy County, New Mexico.

Dear Ms. Houghton:

In reviewing your application to be set for hearing there appears to be an additional issue not addressed. The APD and C-102 for the proposed well placed the Morrow zone in the South Carlsbad Morrow Gas Pool, however, it would appear that this well is closer to the White City - Pennsylvanian Gas Pool which, I'm sure your aware, is spaced on 640-acre proration units in accordance with Division Order No. R-2429-A, as amended.

I'm not sure how BTA or our District Office in Artesia wants to proceed with this issue at this time. Please contact me with further instructions.

Also, when this matter comes to hearing please submit a copy of the BLM or Department of Interior documentation classifying U.S. Highway 62/180 a "scenic corridor."

Sincerely.

MICHAEL E. STOGNER Chief Hearing Examiner/Engineer

MES/jc

cc: U.S. BLM - Carlsbad OCD - Artesia