



TONY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

November 21, 1985



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Grace Petroleum Corporation
P. O. Drawer 2358
Midland, Texas 79702

Attention: Buddy J. Knight

Administrative Order NSL-2191

Gentlemen:

Reference is made to your application for a non-standard location for your Felmont Federal Well No. 2, the bottom-hole location of which is 1194 feet from the South line and 1659 feet from the West line of Section 25, Township 20 South, Range 32 East, NMPM, South Salt Lake Atoka Gas Pool, Lea County, New Mexico. The W/2 of said Section 25 shall be dedicated to the well.

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

Sincerely,

R. L. STAMETS, DIRECTOR

RLS/DC/dr

cc: Oil Conservation Division - Hobbs
Bureau of Land Management - Hobbs

REMARKS: This well was originally directionally drilled from a surface location of 660' FSL and 760' FEL of Section 25 to the Morrow Formation at a bottomhole unorthodox location of 1364' FSL and 1243' FWL of Section 25. This original unorthodox bottomhole location was approved by Division Order R-5221. Also approved by R-5221 was a non-standard proration unit consisting of the SW/4 of Section 25 and the NW/4 of Section 36. This proration unit will be terminated and the new standard proration unit as described above will be dedicated to the well.