OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

March 19, 1978

Holly Energy, Inc. P. O. Box 726 Artesia, New Mexico 88210

Administrative Order NSL-930

Gentlemen:

Reference is made to your application for approval of a non-standard location for your Avalon Federal 32 Well No. 1 to be located 1265 feet from the North line and 1303 feet from the East line of Section 32, Township 20 South, Range 27 East, NMPM, Avalon Field, Eddy County, New Mexico.

By authority granted me under the provisions of Rule 104 F of the Commission Rules and Regulations, the above-described unorthodox location is hereby approved.

Very truly yours,

JOE D. RAMEY Secretary-Director

JDR/RLS/jr

cc: U.S. Geological Survey - Artesia
Oil & Gas Engineering Committee - Hobbs
OCC - Artesia