BRUCE KING GOVERNOR LARRY KEHOE

SECRETARY

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

June 11, 1979

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

Holly Energy, Inc. 2001 Bryan Tower Suite 2680 Dallas, Texas 75201

Attention: E. M. Boatman

Administrative Order NSL-1041

Gentlemen:

Reference is made to your application for a non-standard location for your Union Federal Well No. 1 to be located 660 feet from the North line and 660 feet from the West line of Section 1, Township 8 South, Range 31 East, NMPM, Tom Tom-Pennsylvanian Gas Pool, Chaves County, New Mexico.

By authority granted me under the provisions of Rule 104 F of the Division Rules and Regulations, the abovedescribed unorthodox location is hereby approved.

Very truly yours,

JOE D. RAMEY, Director

JDR/RLS/dr

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