



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

October 7, 1987

Maxus Exploration Company
P.O. Box 10397
Midland, TX 79702

Attention: Randy Simmons

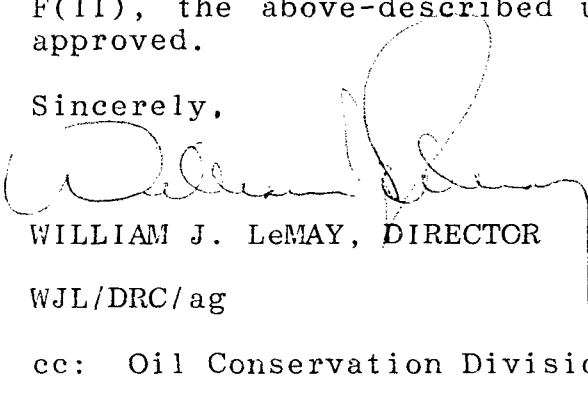
Administrative Order NSL-2404

Gentlemen:

Reference is made to your application for a non-standard location for your State Toro Well No. 1 to be located 1980 feet from the South line and 990 feet from the West line of Section 36, Township 22 South, Range 34 East, NMPM, Undesignated Antelope Ridge Atoka and Wildcat Morrow Pools Lea County, New Mexico. The S/2 of said Section 36 shall be dedicated to the well.

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

Sincerely,


WILLIAM J. LeMAY, DIRECTOR

WJL/DRC/ag

cc: Oil Conservation Division - Hobbs