



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

November 4, 1987

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Attention: Rusty Jernigan

Administrative Order NSL-2438

Gentlemen:

Reference is made to your application for a non-standard location for your Dragonfly State Unit No. 1 to be located 660 feet from the North line and 990 feet from the West line of Section 30, Township 9 South, Range 27 East, NMPM, Chaves County, New Mexico. The N/2 of said Section 30 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,

A handwritten signature in cursive script, appearing to read "William J. LeMay".

WILLIAM J. LeMAY, DIRECTOR

WJL/DRC/ag

cc: Oil Conservation Division - Hobbs