



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 25, 1988

Chevron USA, Inc.
P.O. Box 670
Hobbs, NM 88240

Attention: M. E. Akins
Staff Drilling Engineer

Administrative Order NSL-2593

Dear Mr. Akins:

Reference is made to your application of October 3, 1988 for a non-standard gas well location for your Lee "K" Federal Well No. 1 to be located 1780 feet from the South line and 2080 feet from the East line (Unit J) of Section 21, Township 22 South, Range 26 East, NMPM, Undesignated Happy Valley-Morrow Gas Pool, Eddy County, New Mexico. The E/2 of said Section 21 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit.

By the authority granted me under the provisions of General Rule 104 F(I), 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/MES/ag

cc: Oil Conservation Division - Artesia
New Mexico Oil & Gas Engineering Committee - Hobbs
US Bureau of Land Management - Roswell