



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

February 24, 1989

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Attention: Clifton R. May,
Permit Agent

Administrative Order NSL-2635

Dear Mr. May:

Reference is made to your application of February 1, 1989 for a non-standard gas well location for your Hudson AGD Federal Well No. 1 to be located 330 feet from the North line and 990 feet from the West line (Unit D) of Section 18, Township 8 South, Range 25 East, NMPM, Pecos Slope Abo Gas Pool, Chaves County, New Mexico. Lots 1 and 2 and the E/2 NW/4 of said Section 18 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 gas well location is hereby approved.

Sincerely,

A handwritten signature in dark ink, appearing to read "William J. LeMay", written over a horizontal line.

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