



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

January 23, 1990

Cibola Energy Corporation
P.O. Box 1668
Albuquerque, NM 87103

Attention: Tom Kimball

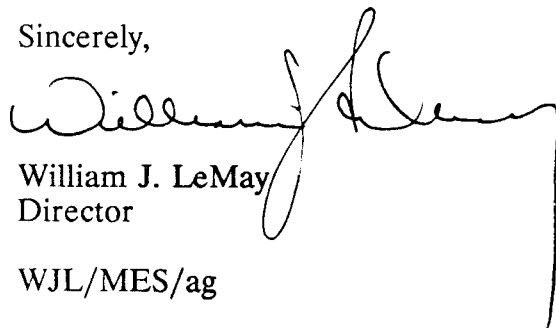
Administrative Order NSL-2749

Dear Mr. Kimball:

Reference is made to your application of January 15, 1990 for a non-standard gas well location for your Virden Well No. 1 to be located 100 feet from the North line and 990 feet from the West line (Unit D) of Section 20, Township 14 South, Range 11 East, NMPM, to test the Ellenberger formation, Otero County, New Mexico. The NW/4 of said Section 20 shall be dedicated to the well forming a standard 160-acre gas spacing and proration unit.

By the authority granted me under the provisions of General Rule 104 (I) the above-described unorthodox gas well location is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Artesia