

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

March 19, 1990

W. A. Moncrief, Jr.
400 Metro Building
Midland, TX 79701

Attention: Dewey E. Thornton,
Exploration Manager

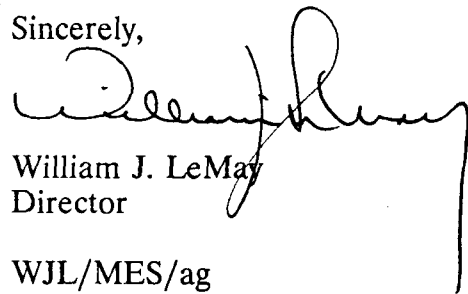
Administrative Order NSL-2772

Dear Mr. Thornton:

Reference is made to your application of March 8, 1990 for a non-standard gas well location for your State "8" Well No. 3 to be located 990 feet from the North and West lines (Unit D) of Section 8, Township 16 South, Range 34 East, NMPM, to test the Undesignated Hume Atoka and Morrow Gas Pools, Lea County, New Mexico. The W/2 of said Section 8 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for both pools.

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

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe