



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

November 28, 1990

Bass Enterprises Production Co.
P.O. Box 2760
Midland, TX 79702

Attention: George A. Teer,
Division Production Manager

Administrative Order NSL-2944(DD)

Dear Mr. Teer:

Reference is made to your application dated November 2, 1990 for an unorthodox bottom-hole gas well location in the Undesignated Los Medanos-Atoka Gas Pool for your existing James Ranch Unit Well No. 15 which was directionally drilled in 1984 from a surface location 660 feet from the South line and 100 feet from the West line (Unit M) of Section 8 to a standard bottom-hole gas well location at a depth of 15090 feet MD (14694 TVD) in the Los Medanos-Morrow Gas Pool 791 feet from the South line and 1924 feet from the East line (Unit O) of adjacent Section 7, both in Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico. The directional drilling of said well was authorized by Division Order No. R-7444, dated February 9, 1984.

It is our understanding that the Morrow zone will be properly plugged back and said well will be recompleted to the Atoka formation with perforations from 13522 feet to 13528 feet MD (13210 - 13216 TVD) which are located, according to the directional drilling survey, 664 feet from the South line and 1438 feet from the East line (Unit O) of said Section 7. The location of this perforated interval is outside of the of the projected target area granted by said Order No. R-7444, see Decretory Paragraph No. 1 on page 3.

Further, the S/2 of said Section 7 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

Administrative Order NSL-2944(DD)

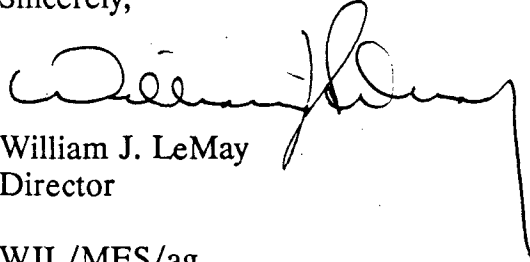
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November 28, 1990

Page 2

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 black ink, appearing to read 'William J. LeMay', with a long, sweeping horizontal stroke extending to the right.

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad