STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

August 25, 1992

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Collins & Ware Inc. c/o O'Briant Engineering P.O. Box 10487 Midland, Texas 79702

Attention: G. Thane Akins

AMENDED

Administrative Order NSL-3053

Dear Mr. Akins:

Reference is made to your application dated July 29, 1992 on behalf of Collins & Ware Inc. to amend Division Administrative Order NSL-3053, dated September 18, 1991, to include within its provisions the Undesignated Teas-Bone Springs Pool.

The subject well in this matter, the Sharp Nose Federal Well No. 1 was drilled in December 1991 at the approved unorthodox gas well location 2395 feet from the South line and 2065 feet from the East line (Unit J) of Section 13, Township 20 South, Range 33 East, NMPM to test the Undesignated Quail Ridge - Morrow Gas Pool, and Undesignated Teas - Pennsylvanian Gas Pool, Lea County, New Mexico.

It is our understanding at this time that this well has recently been recompleted from the Morrow zone to the Undesignated Teas-Bone Springs Pool, which pursuant to General Rule 104.C.(1) the location is unorthodox.

By the authority granted me under the provisions of General Rule 104.F.(I), the above-described unorthodox oil well location is hereby approved. Further, the NW/4 SE/4 of said Section 13 shall be dedicated to the well forming a standard 40-acre oil spacing and proration unit.

Collins & Ware Inc. AMENDED Administrative Order NSL-3053 Page 2 August 25, 1992

All provisions of said original Order NSL-3053, dated April 30, 1991 shall remain in full force and effect until further notice.

Sincerely,

WILLIAM J. LEMAY

Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs

U.S. BLM - Carlbad