STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING

GOVERNOR

September 26, 1991

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

Layton Enterprises, Inc. 3103 79th Street Lubbock, Texas 79423

Attention: Donald R. Layton

Administrative Order NSL-3055

Dear Mr. Layton:

Reference is made to your application dated August 12, 1991 for a non-standard Allison Pennsylvanian oil well location for your existing Fox "C" State Well No. 1 which was drilled in the spring of 1959 to a total depth of 9775 feet at a standard oil well location, at the time, 2310 feet from the North and East lines (Unit G) of Section 36, Township 8 South, Range 36 East, NMPM, Roosevelt County, New Mexico. Said well was deemed dry and was abandoned in September of 1959.

It is my understanding that said well has been re-entered and recompleted in the Allison Pennsylvanian Pool, which pursuant to the Special Rules and Regulations for the Allison Pennsylvania Pool as promulgated by Division Order No. R-1389-B, is unorthodox. Further, W/2 NW/4 of said Section 36 shall be dedicated to the well forming a standard 80-acre oil spacing and proration unit for said pool.

By authority granted me under the provisions of Rule 3 of said Division Order No. R-1389-B, the above described unorthodox oil well location is hereby approved.

Sincerely,

WILLIAM J. LEMA

WILLIAM J. LEMAY Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs NMSLO - Santa Fe