



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

November 12, 1993

ANITA LOCKWOOD
CABINET SECRETARY

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

BTA Oil Producers
104 South Pecos
Midland, TX 79701

Attention: Dorothy Houghton

Administrative Order NSL-3125-A

Dear Ms. Houghton:

Reference is made to your application of October 19, 1993 for a non-standard Antelope Ridge-Atoka gas well location for your existing Hudson State 8016 JV-P Well No. 2, which was drilled in 1992 and tested in the Morrow formation at a previously approved unorthodox gas well location (Division Administrative NSL-3125, dated June 30, 1992) 1980 feet from the North line and 990 feet from the West line (Unit E) of Section 11, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico.

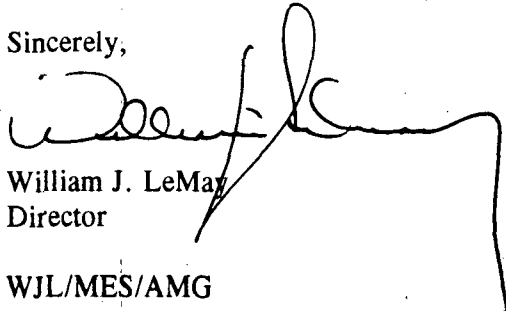
It is my understanding that the Morrow formation will be properly plugged back and said well will be recompleted to the Antelope Ridge-Atoka Gas Pool, which pursuant to Division Rule 104.C.(2), is unorthodox. Further, the N/2 of said Section 35 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

The applicant's Hudson State Well No. 1-Y, which is an Atoka producer, located 860 feet from the North line and 1980 feet from the West line (Unit C) will be shut-in upon successful completion of the No. 2 well to the Atoka formation.

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

Said order NSL-3125 shall be placed in abeyance until further notice.

Sincerely,


William J. LeMay
Director

WJL/MES/AMG

cc: Oil Conservation Division - Artesia
NM State Land Office - Santa Fe
File: NSL-3125