



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

November 16, 1992

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

Fasken Oil and Ranch Interests
Attention: Tommy E. Taylor
303 West Wall Avenue - Suite 1900
Midland, TX 79701-5116

Administrative Order NSL-3190

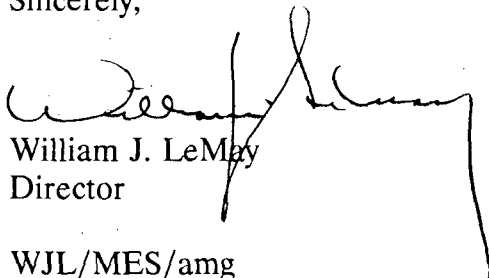
Dear Mr. Taylor:

Reference is made to your application dated October 14, 1992 for a non-standard gas well location for the Skelly Federal Well No. 2 to be drilled 1604 feet from the North line and 1912 feet from the West line (Unit F) of Section 9, Township 21 South, Range 24 East, NMPM, Cemetery-Morrow Gas Pool, Eddy County, New Mexico. The N/2 of said Section 9 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

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

Since the spacing of the Upper Pennsylvanian interval for this particular well is contingent to a pool dedication of a neighboring well to the south, Fasken's Skelly Federal Com Well No. 1 located in Unit M of said Section 9 (see Division Administrative Order NSL-400-A), such a request for intervals other than the Morrow is premature at this time and should therefore be denied. When such a request becomes absolutely necessary, the general rules provide for easy administrative authorization.

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad
File: NSL-400-A