



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

September 16, 1993

Mitchell Energy Corporation
P.O. Box 4000
The Woodlands, Texas 77387-4000

Attention: Mark N. Stephenson

Administrative Order NSL-3310

Dear Mr. Stephenson:

Reference is made to your application dated August 2, 1993 for a non-standard gas well location to be drilled 660 feet from the North and East lines (Unit A) of Section 24, Township 22 South, Range 30 East, NMPM, to test the both the Morrow and Devonian formations, Eddy County, New Mexico. The N/2 of said Section 24 is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for both intervals.

It is our understanding the proposed Apache "24" Federal Well No. 2 is within the Oil/Potash "R-111-P" Area, and is therefore subject to all applicable restrictions and rules therein.

By the authority granted me under the provisions of Division General Rule 104.F(1) the above-described unorthodox gas well location in is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/amg

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