STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

March 13, 1995

Pogo Producing Company c/o Hinkle, Cox, Eaton, Coffield & Hensley, P.L.L.C. P. O. Box 2068 Santa Fe, New Mexico 87504-2068

Attention: James Bruce

Administrative Order NSL-3498

Dear Mr. Bruce:

Reference is made to your application on behalf of the operator, Pogo Producing Company, dated March 8, 1995 for a non-standard oil well location for the Red Tank Federal "34" Well No. 15 to be drilled 1700 feet from the North line and 180 feet from the West line (Unit E) of Section 34, Township 22 South, Range 32 East, NMPM, to test the West Red Tank-Delaware Pool, Lea County, New Mexico. The SW/4 NW/4 of said Section 34 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit for said pool.

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

Sincerely,

William J. LeM

Director

WJL/MES/kv

Oil Conservation Division - Hobbs cc:

> US Bureau of Land Management -Carlsbad