



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

March 9, 2004

Lori Wrotenbery

Director

Oil Conservation Division

Pecos Production Company
400 West Illinois – Suite 1070
Midland, Texas 79701

Attention: William R. Huck
billh@pecosproduction.com

Administrative Order NSL-5011

Dear Mr. Huck:

Reference is made to the following: (i) your application dated February 17, 2004 (*administrative application reference No. pLR0-405026885*); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Pecos Production Company's ("Pecos") request for an unorthodox gas well location in both the Atoka and Morrow formations for its proposed Tyke Federal Well No. 2 to be drilled 1940 feet from the South line and 2040 feet from the West line (Unit K) of Section 17, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico.

The W/2 of Section 17, being a standard 320-acre stand-up deep gas spacing unit pursuant to Division Rule 104.C (2) for both the wildcat Atoka formation and Undesignated North Lusk-Morrow Gas Pool (**80800**), is to be dedicated to this well.

Your application has been duly filed under the provisions of Division Rule 104.F.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox gas well location for Pecos's proposed Tyke Federal Well No. 2 in both the Atoka and Morrow formations within this 320-acre unit comprising the W/2 of Section 17 is hereby approved.

Sincerely,

Lori Wrotenbery
Director

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cc: New Mexico Oil Conservation Division – Hobbs
U. S. Bureau of Land Management – Carlsbad