



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

October 18, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Mewbourne Oil Company
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151

Administrative Order NSL-4655

Dear Mr. Bruce:

Reference is made to the following: (i) your application dated October 13, 2001 (*application reference No. pKRV0-129039486*) on behalf of the operator Mewbourne Oil Company ("Mewbourne"); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Mewbourne's request for an unorthodox Morrow gas well location for its proposed Esperanza "23" State Well No. 1 to be drilled 2500 feet from the North line and 1700 feet from the West line (Unit F) of Section 23, Township 21 South, Range 27 East, NMPM, Burton Flat-Morrow Gas Pool (73280), Eddy County, New Mexico.

The W/2 of Section 23 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing and proration unit for the Burton Flat-Morrow Gas Pool.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the Morrow formation than a well drilled at a location considered to be standard.

The subject application has been duly filed under the applicable provisions of the rules governing this pool and the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Order No. R-8170-E-1, issued in Case 9872 and dated October 28, 1991, and Division Rule 104.F (2), the above-described unorthodox gas well location within the Burton Flat-Morrow Gas Pool is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
New Mexico State Land Office - Santa Fe