



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

May 24, 1999

**BTA Oil Producers**  
**104 South Pecos**  
**Midland, Texas 79701**  
**Attention: Dorothy Houghton**

*Administrative Order NSL-4287*

Dear Ms. Houghton:

Reference is made to the following: (i) your initial application dated April 15, 1999; and (ii) the records of the New Mexico Oil Conservation Division in Santa Fe ("Division") including the file in Case No. 12189: all concerning BTA Oil Producers' request to drill its proposed Grama "C" 8817 JV-P Well No. 1 at an unorthodox Morrow gas well location 660 feet from the South and West lines (Unit M) of Section 16, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.

The S/2of Section 16, being a standard 320-acre lay-down gas spacing and proration unit for the Undesignated Grama Ridge-Morrow Gas Pool, is to be dedicated to this well.

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 within the SW/4 of Section 16.

The application has been duly filed under the provisions of New Mexico Oil Conservation Division ("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 is hereby approved.

Sincerely,

Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
File: Case No. 12189 /