



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

September 11, 1989

RECEIVED

SEP 13 '89

O.C. -  
OFFICE

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

Fisk & Vandiver  
Attorneys at Law  
Seventh & Mahone, Suite E  
Artesia, New Mexico 88210

Attention: David R. Vandiver

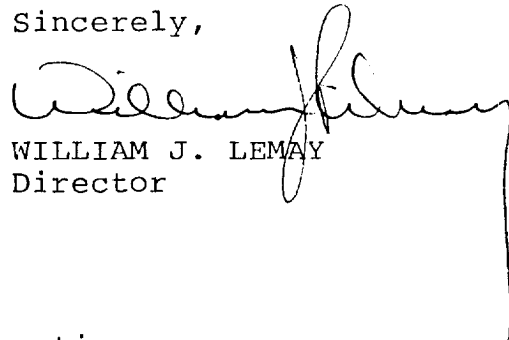
Re: Case No. 9698  
Dragonfly State Unit  
Well No. 2  
660' FSL - 1650' FEL  
O-31-9S-27E, Chaves  
County, New Mexico

Dear Mr. Vandiver:

Per your letter dated September 5, 1989, the subject case was dismissed at the September 6, 1989 Examiner Hearing before Michael E. Stogner. Please be advised, however, should said well be completed as a producing well in any formation deeper than the San Andres formation and have designated thereto a 320-acre spacing unit, it will be necessary to obtain approval for an unorthodox location for this well only after notice and hearing.

If you should have any questions concerning this matter, please contact Michael E. Stogner in the Santa Fe Office at 827-5811.

Sincerely,

  
WILLIAM J. LEMAY  
Director

WJL/MES/fd

cc: VOCD Artesia  
Yates Petroleum Corporation  
Well File - Santa Fe