



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

October 2, 1989

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Southland Royalty Company
21 Desta Drive
Midland, TX 79705

Attn: Robert L. Bradshaw

Re: Federal "21" Well #3-F
Section 21, T18S, R33E

Gentlemen:

We have received a permit to drill the above-referenced well from the BLM. Your location, 1650/N and 1980/W of Section 21, is unorthodox for the South Corbin Wolfcamp Pool. The special pool rules require the well to be located within 150 feet of the center of any quarter/quarter section. It will be necessary for you to obtain approval of this unorthodox location prior to producing the well.

A copy of the special rules for this pool is attached. If you have questions concerning this, please contact Evelyn Downs at (505) 393-6161.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

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