STATE OF NEW MEXICO



ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

GARREY CARRUTHERS

March 5, 1990

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

Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210

Re: Lusk AHB Federal #1-B Sec. 35, T19S, R32E

Gentlemen:

Your intention to deepen the above-referenced well to the Morrow has been received from the BLM. This is to advise that the location, 800/N and 1650/E, is unorthodox for a Morrow gas well, and will require approval from our Santa Fe office before this well can be produced.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

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5/16/90 NSL application has not then submitted but they are working on it. Post to I to when NSL order received. R-9239