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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

April 11, 1995

Kelton Operating Corporation
P. O. Box 276
Andrews, Texas 79714

Attention: C. Dale Kelton, President

Administrative Order NSP-1659-A(L)

Dear Mr. Kelton:

Reference is made to your application dated February 22, 1995 to reduce the acreage of the existing 80-acre standard gas spacing and proration unit in the Wilson Yates-Seven Rivers Associated Pool comprising the S/2 NW/4 of Section 25, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, which was approved by Division Administrative Order NSP-1659(L), dated January 25, 1993, by omitting the 40 acres comprising the SE/4 NW/4 (Unit F) of said Section 25 from said unit. Said administrative order also authorized the dedication of this 80-acre non-standard unit to the State "L" Well No. 1 (API No. 30-025-02596), located at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Unit E) of said Section 25.

By authority granted me under the provisions of **Rule 4(b)** of the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico*", as promulgated by Division Order No. R-5353, as amended, and the "*Special Rules and Regulations Wilson Yates-Seven Rivers Associated Pool*", as promulgated by Division Order No. R-9645, the following described 40-acre non-standard gas spacing and proration unit is hereby approved:

LEA COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 25: SW/4 NW/4.

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Authorization of said State "L" Well No. 1, as an unorthodox gas well location in the Wilson Yates-Seven Rivers Associated Pool approved by said Order NSP-1659(L), is hereby continued under the provisions of this order; however, all other provisions of said order shall be placed in abeyance until further notice.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. LeMay / by MES".

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
File: NSP-1659(L)
New Mexico State Land Office - Santa Fe