

February 14, 1994

BTA Oil Producers  
104 South Pecos  
Midland, TX 79701

Attention: Dorothy Houghton

*Administrative Order NSL-3177-A*

Dear Ms. Houghton:

Reference is made to your application dated January 6, 1994 for a non-standard Antelope Ridge-Atoka gas well location for your existing State "2", 8016 JV-P, Com Well No. 2, which was drilled in mid-1993 and completed in the Antelope Ridge-Morrow Gas Pool at a previously approved non-standard gas well location (Division Administrative Order NSL-3177, dated October 15, 1992) 1980 feet from the South line and 990 feet from the West line (Unit L) of Section 2, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico.

It is my understanding that the Morrow gas zone will be properly plugged back and said well will be recompleted to the Antelope Ridge-Atoka Gas Pool, which pursuant to Division General Rule 104.C(2)(b), is also unorthodox. Further, said well is to be dedicated to an existing standard 320-acre gas spacing and proration unit for the Antelope Ridge-Atoka Gas Pool comprising the S/2 of said Section 2, which is currently dedicated to BTA's State "2", 8006 JV-P, Well No. 1 located at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 2. To comply fully with said Rule 104.C(2)(b), as interpreted by Division Memorandum dated July 27, 1988 and August 3, 1990, the No. 1 well is to be shut-in upon a successful completion of Well No. 2 in the Atoka interval.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location in the Antelope Ridge-Atoka Gas Pool is hereby approved. Said original Division Order NSL-3177 shall be placed in abeyance until further notice.

Sincerely,

William J. LeMay  
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs  
NM State Land Office  
File: NSL-3177