



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

November 15, 1984

TONY ANAYA
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

IREX Operating Company
1331 Seventeenth Street, Suite 800
Denver, Colorado 80202

Gentlemen:

The Bureau of Land Management has furnished us with a copy of your Notices of Intent to Drill for the Vada "33" Federal No. 1 to be drilled in Unit O of Section 33, T-8-S, R-35-E, and the Seguro "35" Federal No. 1 to be drilled in Unit L of Section 35, T-8-S, R-35-E. The Forms C-102 for each of these wells show only a 40 acre dedication, however.

The locations as shown are within the horizontal and vertical limits of the Vada Pennsylvanian Pool, which is on 160 acre spacing. Prior to producing the wells, it will therefore be necessary for you to either submit revised Forms C-102 outlining a 160 acre proration unit, or to obtain approval for a non-standard proration unit.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District 1

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