



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

August 21, 1996

Texaco Exploration and Production Inc.
205 E. Bender Blvd.
Hobbs, New Mexico 88240
Attention: Paula S. Ives

Administrative Order NSL-3697

Dear Ms. Ives:

Reference is made to your application dated July 15, 1996 for approval of an unorthodox gas well location in the Undesignated Mid Justis-Abo Gas Pool (see Division Order No. R-10641 issued in Case 11592 to be made effective September 1, 1996) for the existing A. B. Coats "C" Well No. 22 (API No. 30-025-11744), located 660 feet from the North line and 2310 feet from the East line (Unit B) of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico. The NE/4 of said Section 24 shall be dedicated to the well to form a **standard 160-acre** gas spacing and proration unit for said pool.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad