STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

June 25, 1993

Texaco Exploration and Production, Inc.
P.O. Box 3109
Midland, TX 79702

Attention: C.P. Basham

Administrative Order NSL-3263

Dear Mr. Basham:

Reference is made to your application dated June 2, 1993 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern within the Rhodes Yates Waterflood Project Area, established by Division Order No. R-4521, dated May 17, 1963.

It is our understanding that the proposed Rhodes Yates Unit Well No. 17 is to be drilled 1302 feet from the North line and 46 feet from the West line (Unit D) of Section 27, Township 26 South, Range 37 East, NMPM, Rhodes-Yates Pool, Rhodes Yates Project Area, Lea County, New Mexico.

The NW/4 NW/4 of said Section 27 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

By the authority granted me under the provisions of General Rule 104 F(1), the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Carlsbad