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

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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SANTA FE, NEW MEXICO 87504
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January 28, 1994

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

Attention: C.P. Basham

Administrative Order NSL-3343

Dear Mr. Basham:

Reference is made to your application dated January 13, 1994 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern within the W.H. Rhodes "B" Federal Unit Waterflood Project Area, established and expanded by Division Order Nos. R-2748, R-2748-A, R-9847, and WFX-645.

It is our understanding that the proposed W.H. Rhodes "B" NCT-2 Well No. 7 is to be drilled 1350 feet from the South line and 1290 feet from the East line (Unit I) of Section 28, Township 26 South, Range 37 East, NMPM, Rhodes Yates-Seven Rivers Pool, Lea County, New Mexico.

Said well to be dedicated to an existing standard 40-acre oil spacing and proration unit comprising the NE/4 SE/4 of said Section 28.

By the authority granted me under the provisions of General Rule 104 F(I), 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