



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

March 1, 1996

Texaco Exploration and Production Inc.
P. O. Box 730
Hobbs, New Mexico 88240
Attention: Darrell J. Carriger

Administrative Order NSL-3634

Dear Mr. Carriger:

Reference is made to your application dated February 26, 1996, supplemented by letter dated February 27, 1996, for approval of an unorthodox gas well location in the Abo formation for the existing A. B. Coats "C" Well No. 13, located 1980 feet from the South line and 2310 feet from the West line (Unit K) of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico. The SW/4 of said Section 24 shall be dedicated to the well to form a standard 160-acre gas spacing and proration unit for said gas bearing interval.

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,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is written over a large, stylized flourish that extends downwards and to the right.

William J. LeMay
Director

WJL/MES/kv

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