



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

June 25, 1996

Texaco Exploration and Production Inc.
P. O. Box 3109
Midland, Texas 79702
Attention: C. W. Howard

Administrative Order NSL-3684

Dear Mr. Howard:

Reference is made to your application dated April 18, 1996, as amended May 6, 1996, for an exception to the Fowler (Ellenburger) Pool well location provisions of Division Order No. R-195, as amended, authorizing the proposed C. C. Fristo "B" Federal NCT-2 Well No. 18 to be drilled 1480 feet from the South line and 1400 feet from the East line (Unit J) of Section 26, Township 24 South, Range 37 East, NMPM, Undesignated Fowler-Ellenburger Pool, Lea County, New Mexico. The W/2 SE/4 of said Section 26 is to be dedicated to said well to form a standard 80-acre oil spacing and proration unit for said pool.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox oil well location will be at a more favorable geologic position within the Ellenburger formation than a well drilled at a location considered to be standard.

The application has been duly filed under the provisions of **Rule 104.D(2)** 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 said Order No. R-195, as amended, Division Memorandum 4-86 (dated June 2, 1986), and Division General Rule 104.D(2)(c), the above-described unorthodox oil well location is hereby approved.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/kv

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