



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

June 2, 1989

Arch Petroleum, Inc.
Penthouse II-A
Fort Worth Club Tower
Fort Worth, TX 76102

Attention: Jim B. Paschall

Administrative Order NSL-2661

Dear Mr. Paschall:

Reference is made to your application of May 8, 1989 for a non-standard oil well location to permit the completion of an efficient production/injection pattern within a secondary recovery project for your Resler Yates Well No. 381 located 1884 feet from the North line and 1394 feet from the East line (Unit G) of Section 32, Township 18 South, Range 28 East, NMPM, Artesia Queen Grayburg San Andres Pool, Artesia Waterflood Project No. 3 (R-966), Eddy County, New Mexico. Said well to be dedicated to the existing 40-acre oil spacing and proration unit comprising the SW/4 NE/4 of said Section 32.

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 - Artesia
NM Oil and Gas Engineering Committee - Hobbs
NM State Land Office - Santa Fe