STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

November 21, 1989

ARCO Oil & Gas Company P.O. Box 1610 Midland, TX 79702

Attention: Cindy W. Ellis,

Senior Engineer

Administrative Order NSL-2714

Dear Ms. Ellis:

Reference is made to your application of October 19, 1989 for a non-standard oil well location to permit the completion of an efficient production/injection pattern within an active secondary recovery project for your Seven Rivers Queen Unit Well No. 78 to be located 160 feet from the South line and 315 feet from the East line (Unit P) of Section 34, Township 22 South, Range 36 East, NMPM, South Eunice Seven Rivers Queen Pool, Seven Rivers Queen Unit Waterflood Project Area, Lea County, New Mexico. Said well to be dedicated to a standard 40-acre oil spacing and proration unit comprising the SE/4 SE/4 of said Section 34.

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

NM Oil and Gas Engineering Committee - Hobbs