State of New Mexico ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT Santa Fe. New Mexico 87505



OIL CONSERVATION DIVISION

DRUG FREL

February 10, 1995

Wiser Oil Company c/o Shahara Oil Corporation P.O. Box 3232 Carlsbad, New Mexico 88221-3232

Attention: Perry L. Hughes

Administrative Order NSL-3481

Dear Mr. Hughes:

Reference is made to your application on behalf of the operator, Wiser Oil Company, by letter dated January 17, 1995 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern within the Caprock Maljamar Unit Waterflood Project Area, established by Division Order No. R-10094, dated April 5, 1994.

It is our understanding that the proposed Caprock Maljamar Unit Well No. 154 is to be drilled 1232 feet from the South line and 1247 feet from the East line (Unit P) of Section 17, Township 17 South, Range 33 East, NMPM, Maljamar Grayburg-San Andres Pool, Caprock Maljamar Unit Area, Lea County, New Mexico.

The SE/4 SE/4 of said Section 17 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

By the authority granted me under the provisions of General Rule 104 F(1), the above-described unorthodox oil well location is hereby approved.

Sincerely, William J. LeMay Director WJL/MES/kv Oil Conservation Division - Hobbs cc: New Mexico State Land Office - Santa Fe VILLAGRA BUILDING - 408 Galisteo Forestry and Resources Conservation Division P.O. Box 1948 87504-1948 827-5830 Park and Recreation Division P.O. Box 1147 87504-1147 827-7465

2040 South Pacheco Office of the Secretary 827-5950 Administrative Services 827-5925 Energy Conservation & Management 827-5900 Mining and Minerals 827-5970 Oil Conservation 827-7131