



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

December 17, 1997

Texaco Exploration and Production, Inc.  
P.O. Box 3109  
Midland, Texas 79702  
Attention: A. Phil Ryan

*Administrative Order NSL-3918*

Dear Mr. Ryan:

Reference is made to your application dated December 4, 1997 and to the records of previously approved unorthodox oil well locations filed by Texaco Exploration and Production, Inc. ("Texaco") within the immediate area (see Division Administrative Orders NSL-3760, NSL-3820, and NSL-3821) that relate to your request for an unorthodox oil well location for both the Justis-Blinbry and Justis-Tubb Drinkard Pools for Texaco's proposed C. C. Fristoe "B" Federal NCT-2 Well No. 24. Said well to be drilled 1491 feet from the North line and 1048 feet from the East line (Unit H) of Section 35, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico. It is our understanding that this well is to be dually completed in both zones.

Said well is to be included in the existing standard 40-acre oil spacing and proration unit comprising the SE/4 NE/4 of said Section 35, which is currently dedicated in both the Justis-Blinbry and Justis-Tubb Drinkard Pools to Texaco's C. C. Fristoe "B" Federal NCT-2 Well No. 6 (API No. 30-025-11366), located at a standard oil well location 2310 feet from the North line and 660 feet from the East line of said Section 35.

Furthermore, the SW/4 of Section 26 and the NE/4 and E/2 NW/4 of Section 35, both in Township 24 South, Range 37 East, NMPM, Lea County, New Mexico is a single Federal lease (NM-14218) in which Texaco is the operator; therefore, there are no affected offsets to the subject 40-acre tract other than Texaco.

It is our understanding that such unorthodox location is necessitated for geologic reasons in that this location is approximately equidistance to other offsetting Justis-Blinbry and/or Justis-Tubb Drinkard oil producers within the NE/4 of said Section 35. The proposed infill well location should enable Texaco to encounter lateral discontinuous reservoirs that can not be depleted from the other wells in the NE/4 of said Section 35. Further, should secondary recovery be implemented within the Justis-Blinbry and/or the Justis-Tubb Drinkard Pools in the immediate area, the proposed location will allow the implementation of a more efficient and effective production/injection pattern.

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").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay  
Director

WJL/MES/kv

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