OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87605 (505) 827-7131

April 16, 1998

ARCO Permian
P. O. Box 1610
Midland, Texas 79702-1610
Attention: Elizabeth A. Casbeer

Administrative Order NSL-4007

Dear Ms. Casbeer:

Reference is made to your initial application dated March 10, 1998, with supplemental information submitted by facsimile on April 16, 1998, for an unorthodox oil well location in the Artesia Queen-Grayburg-San Andres Pool for the proposed Washington "33" State Well No. 1 to be drilled 200 feet from the North line and 380 feet from the East line (Unit A) of Section 33, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico. The NE/4 NE/4 of said Section 33 is to be dedicated to said well in order to form a standard 40-acre oil spacing and proration unit for said pool.

The subject 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,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia

otenberg

New Mexico State Land Office - Santa Fe