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

April 7, 2000

Phillips Petroleum Company 4001 Penbrook Odessa, Texas 79762 Attention: L. M. Sanders

Texaco Exploration and Production, Inc. c/o Campbell, Carr, Berge & Sheridan, P.A. P. O. Box 2208
Santa Fe, New Mexico 87504-2208
Attention: William F. Carr

AMENDED Administrative Order NSL-4389

Dear Messrs. Sanders and Carr:

Reference is made to the following: (i) Phillips Petroleum Company's ("Phillips") application that was submitted by Mr. Larry Sanders to the New Mexico Oil Conservation Division ("Division") on March 24, 2000; and (ii) the Division's records in Santa Fe: concerning Phillips' request for the amendment of Division Administrative Order NSL-4389 to reflect location changes for two wells approved by this order.

Division Administrative Order NSL-4389, dated January 14, 2000, authorized Phillips and Texaco Exploration and Production, Inc. ("Texaco") to drill eight wells at unorthodox locations within the Vacuum Grayburg-San Andres Pool in Sections 31 and 32, Township 17 South, Range 35 East, NMPM, and Section 6, Township 18 South, Range 35 East, NMPM, all in Lea County, New Mexico, along a line common to Texaco's Central Vacuum Unit Pressure Maintenance Project and Phillips' East Vacuum Grayburg-San Andres Unit Pressure Maintenance Project.

At the request of Phillips, Division Administrative Order NSL-4389 provided, in part, for the two following described wells to be drilled at unorthodox locations in Section 31, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico:

- (i) East Vacuum G/SA Unit, Tract 3127, Well No. 397 to be drilled 1910 feet from the South line and 2630 feet from the East line (Unit J) of Section 31 and completed as a producing well; and
- (ii) East Vacuum G/SA Unit, Tract 3127, Well No. 398-W to be drilled 1350 feet from the South line and 2165 feet from the East line (Unit J) of Section 31 and completed as an injection well.



Amended Administrative Order NSL-4389 Phillips/Texaco April 7, 2000 Page 2

At this time Phillips seeks to move both of these locations 25 feet in order to avoid overhead power lines that were overlooked when these wells were staked.

This application for amendment has been duly filed under the provisions of Division Rule 104.F.

By the authority granted me under the provisions of Division Rule 104.F (2), Division Administrative Order NSL-4389 is hereby amended to reflect the following location changes in Section 31, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico:

## (1) Subparagraph (d) of Ordering Paragraph No. (1):

East Vacuum G/SA Unit, Tract 3127, Well No. 397 to be drilled 1885 feet from the South line and 2630 feet from the East line (Unit J) of Section 31 and completed as a producing well; and

## (2) Subparagraph (e) of Ordering Paragraph No. (1):

East Vacuum G/SA Unit, Tract 3127, Well No. 398-W to be drilled 1350 feet from the South line and 2140 feet from the East line (Unit J) of Section 31 and completed as an injection well.

All other provisions of Division Administrative Order NSL-4389 shall remain in full force and effect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs

New Mexico State Land Office - Santa Fe

Mr. Paul R. Owen of Campbell, Carr, Berge & Sheridan, P.A. - Santa Fe

File: NSL-4389

hou Westenberg by De