STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE. NEW MEXICO 87505 (505) 827-7131

January 28, 1997

Texaco Exploration and Production, Inc. 205 E. Bender Blvd.
Hobbs, New Mexico 88240
Attention: Paula S. Ives

Administrative Order NSP-1768

Dear Ms. Ives:

Reference is made to an old application filed by Texaco Exploration and Production, Inc. on September 27, 1993 for an exception to the "Special Rules and Regulations for the South Eunice-San Andres Pool", as promulgated by Division Order No. R-3706, as amended, authorizing an off pattern 80-acre non-standard oil spacing and proration unit within the South Eunice-San Andres Pool comprising the following described acreage in Lea County, New Mexico:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 10: W/2 SE/4.

It is our understanding that this unit is to be dedicated to Texaco's existing Baker "B" Well No. 10 (API No. 30-025-10190), located at a standard oil well location 2310 feet from the South line and 1650 feet from the East line (Unit J) of said Section 10.

By the authority granted me under the provisions of said Special Pool Rules, Division Memorandum 4-86 (dated June 2, 1986), and Rule 104.D(2)(c) of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996, the above-described non-standard 80-acre oil spacing and proration unit is hereby approved.

Sincerely,

William J. L. May

WJL/ME\$/kv

Director

cc:

Oil Conservation Division - Hobbs