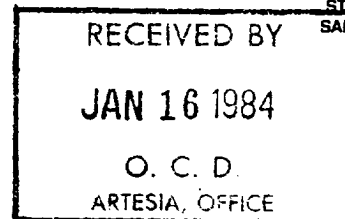




STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION

TONY ANAYA  
GOVERNOR

January 6, 1984



POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

ARCO Oil and Gas Company  
P. O. Box 1610  
Midland, Texas 79702

Attention: V. M. Hearne  
Associate Engineering Technician

Re: Horizontal Drainholes

Dear Mr. Hearne:

Pursuant to your application dated December 2, 1983, and the provisions of RULE 14 B of New Mexico Oil Conservation Division Order No. R-4549, as amended, Special Rules and Regulations for the Empire Abo Pressure Maintenance Project, approval is hereby granted to drill a single "horizontal drainhole" from each of the following four existing wells:

- (1) Empire Abo Unit "G" Well No. 312, the surface location being 1550 feet from the South line and 2511 feet from the East line (non-standard location previously approved by Division Administrative Order No. NSL-743) of Section 33, Township 17 South, Range 28 East, NMPM, Eddy County, with the horizontal drainhole section projected approximately 200 feet in a northwesterly direction from a kick-off point at a measured vertical depth of approximately 6221 feet;

6121-24

- (2) Empire Abo Unit "J" Well No. 27, the surface location being 1650 feet from the North line and 2310 feet from the East line of Section 5, Township 18 South, Range 28 East, NMPM, Eddy County, with the horizontal drainhole section projected approximately 200 feet in a northwesterly direction from a kick-off point at a measured vertical depth of approximately 6225 feet;

6190-6201 - OK ME & MES