STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

May 15, 1990

Texaco Producing, Inc. P.O. Box 3109
Midland, TX 79702

Attention:

C.P. Basham, Drilling Superintendent

Administrative Order NSL-2796

Dear Mr. Basham:

Reference is made to your application dated March 28, 1990 for a non-standard oil well location to permit the completion of an efficient production/injection pattern within an active secondary recovery project for your Vacuum Grayburg San Andres Unit Well No. 156 to be located 660 feet from the North line and 1330 feet from the West line (Unit C) of Section 1, Township 18 South, Range 34 East, NMPM, Vacuum Grayburg San Andres Pool, Vacuum Grayburg San Andres Pressure Maintenance Project Area, Lea County, New Mexico. Said well to be dedicated to the existing standard 40.70-acre oil spacing and proration unit comprising Lot 3 of said Section 1.

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

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division -

NM Oil and Gas Engineering Committee - Hobbs