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 24, 1990

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

Attention:

C.P. Basham, Drilling Superintendent

Administrative Order NSL-2801

Dear Mr. Basham:

Reference is made to your application dated May 22, 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. 150 to be located 1390 feet from the North line and 1980 feet from the East line (Unit G) 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-acre oil spacing and proration unit comprising the SW/4 NE/4 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 - Hobbs

NM State Land Office - Santa Fe