STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

DIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

December 13, 1990

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

Texaco, Inc. 3300 N. Butler Avenue Farmington, NM 87401

Attention: Alan A. Kleier

Administrative Order NSL-2959

Dear Mr. Kleier:

Reference is made to your application dated October 18, 1990 for a non-standard South Blanco Pictured Cliffs gas well location for your existing Jicarilla "B" Well No. 10 which was drilled in 1958 and completed in the Otero Gallup Oil Pool at a standard oil well location 660 feet from the South and East lines (Unit P) of Section 32, Township 25 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

It is my understanding that the Gallup zone will be properly plugged back and said well will be recompleted to the South Blanco Pictured Cliffs Pool, which pursuant to the Special Rules and Regulations for the South Blanco Pictured Cliffs Pool as promulgated by Division Order No. R-8170, as amended, is unorthodox. Further, the SE/4 of said Section 32 shall be dedicated to the well forming a standard 160-acre gas spacing and proration unit for said pool.

By the authority granted me under the provisions of Rule 2(c) of said Division Order No. R-8170, as amended, the above-described unorthodox gas well location is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

US Bureau of Land Management - Farmington