

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

January 31, 1992

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800Texaco Producing Inc.
P.O. Box 3109
Midland, Texas 79702

Attention: C.P. Basham

Administrative Order NSL-3093

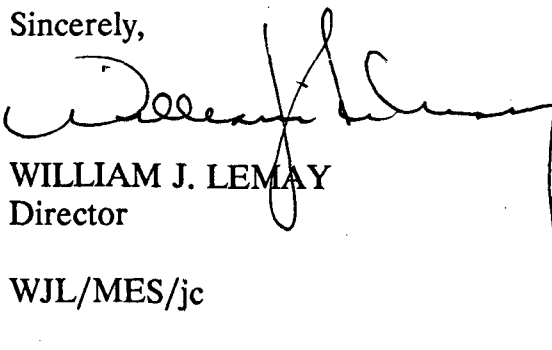
Dear Mr. Basham:

Reference is made to your application dated January 6, 1992 for two unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within your Skelly West Dollarhide Drinkard Waterflood Project, established by Division Order No. R-3768, dated May 28, 1969. Both wells are to located in Section 5, Township 25 South, Range 38 East, NMPM, Dollarhide Tubb - Drinkard Pool, West Dollarhide Drinkard Unit Area, Lea County, New Mexico.

| Well No. | Footage Location | Unit | Dedicated 40-Acre Tract |
|----------|-----------------------|------|-------------------------|
| 114 | 108' FNL - 2325' FWL | C | Lot 3 (40.38 Acres) |
| 118 | 1119' FNL - 2322' FWL | C | Lot 3 (40.38 Acres) |

By authority granted me under the provisions of General Rule 104F.(1), the above described unorthodox oil well locations is hereby approved.

Sincerely,


WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs
NMSLO - Santa Fe
U.S.BLM - Carlsbad