



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

September 10, 1992

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

Texaco Exploration and Production, Inc.
3300 North Butler
Farmington, New Mexico 87401

Attention: Ted A. Tipton

Administrative Order NSL-3153

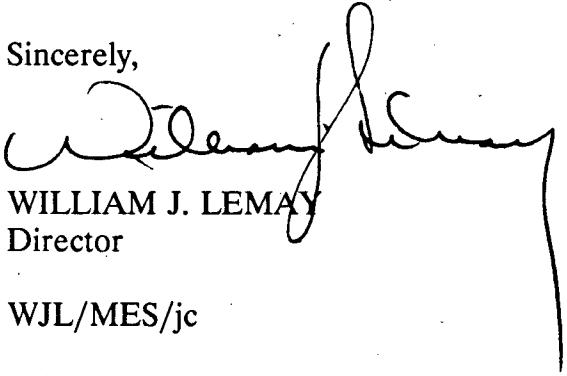
Dear Mr. Tipton:

Reference is made to your application dated August 14, 1992 for a non-standard Pictured Cliffs gas well location for your existing H.J. Loe Federal Well No. 3-E which was drilled in 1980 and completed in the Basin Dakota Pool at a standard gas well location 1100 feet from the South line and 2000 feet from the East line (Unit O) of Section 23, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico.

It is my understanding that the Pictured Cliffs interval is to be dually completed with the Basin Dakota Pool, and pursuant to Division General Rule 104.C(3) said location is considered unorthodox. Further, the SE/4 equivalent of said Section 23 shall be dedicated to the well forming a standard 160-acre, more or less, gas spacing and proration unit for the Undesignated Fulcher Kutz Pictured Cliffs Pool.

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

Sincerely,


WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Aztec
U.S. BLM - Farmington