



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

July 29, 1993

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

Texaco Exploration and Production, Inc.
P.O. Box 3109
Midland, TX 79702

Attention: C.P. Basham

Administrative Order NSL-3289

Dear Mr. Basham:

Reference is made to your application dated June 1, 1993 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern within the Skelly West Dollarhide Drinkard Waterflood Project Area, established by Division Order No. R-3768, dated May 28, 1969.

It is our understanding that the proposed West Dollarhide Drinkard Unit Well No. 137 is to be drilled 1125 feet from the South line and 2450 feet from the East line (Unit O) of Section 19, Township 24 South, Range 38 East, NMPM, Dollarhide Tubb-Drinkard Pool, West Dollarhide Drinkard Unit Area, Lea County, New Mexico.

Said well is to be dedicated to the existing standard 40-acre oil spacing and proration unit comprising the SW/4 SE/4 of said Section 19 which is currently dedicated to the West Dollarhide Drinkard Unit Well No. 11, located at a standard oil well location 330 feet from the South line and 1980 feet from the East line of said Section 19.

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

Sincerely,

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Carlsbad