STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

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

December 10, 1993

Phillips Petroleum Company 4001 Penbrook Odessa, TX 79762

Attention: Larry M. Sanders

Administrative Order NSL-3335

Dear Mr. Sanders:

Reference is made to your application dated December 9, 1993 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern within the East Vacuum Grayburg/San Andres Unit Pressure Maintenance Project Area, established by Division Order No. R-5897, dated January 16, 1979.

It is our understanding that the proposed East Vacuum Grayburg/San Andres Unit Tract 2801, Well No. 018 is to be drilled 1750 feet from the South line and 300 feet from the West line (Unit L) of Section 28, Township 17 South, Range 35 East, NMPM, East Vacuum Grayburg/San Andres Pool, East Vacuum Grayburg/San Andres Unit Area, Lea County, New Mexico.

Said well to be dedicated to the existing standard 40-acre oil spacing and proration unit comprising the NW/4 SW/4 of said Section 28 which is currently dedicated to the East Vacuum Grayburg/San Andres Well Nos. 5, 14 and 17.

By the authority granted me under the provisions of General Rule 104 F(I) and Rule 8 of Division Order No. R-5897, the above-described unorthodox oil well location is hereby approved.

. For William J. LeeMay

Sincerely,

William J. LeMay

Director

WJL/JHM/AMG

cc: Oil Conservation Division - Hobbs