



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

November 27, 1995

Texaco Exploration & Production Inc.
P. O. Box 730
Hobbs, New Mexico 88241-0730
Attn: Darrell J. Carriger

Administrative Order NSL-3603(SD)

Dear Mr. Carriger:

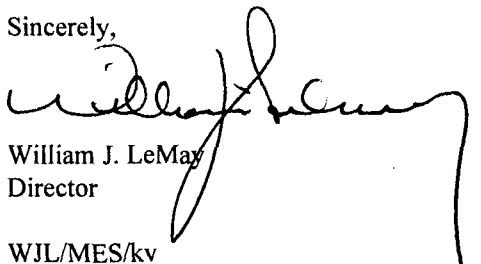
Reference is made to your application dated October 31, 1995 for an unorthodox North Teague-Tubb gas well location in an existing standard 160-acre gas spacing and proration unit for said North Teague-Tubb Associated Pool comprising the NE/4 of Section 8, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico. Said 160-acre tract currently has dedicated thereon the F. B. Davis Well No. 5 (API No. 30-025-32495) located at an unorthodox gas well (erroneously approved pursuant to Decretory Paragraph No. (3) on page 5 of Division Order No. R-5353-P, issued in Case 11016 and dated September 26, 1994) location 1980 feet from the North line and 330 feet from the East line (Unit H) of said Section 8.

It is our understanding that the subject well in this application, the F. B. Davis Well No. 1 (API No. 30-025-32226), was drilled in December, 1993 to a total depth of 7,700 feet and completed in the North Teague Drinkard-Abo Pool at a standard oil well location for said pool 660 feet from the North line and 500 feet from the East line (Unit A) of said Section 8. It is our understanding that the Drinkard-Abo interval will be properly plugged back at this time and that said well will be recompleted up-hole into the Tubb formation upon issuance of this order.

By authority granted me under the provisions of Rule 2(c) of the "General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico/Special Rules and Regulations for the North Teague-Tubb Associated Pool", as promulgated by Division Order No. R-5353, as amended, the above-described F. B. Davis Well No. 1, located at an unorthodox gas well location in the North Teague-Tubb Associated Pool is hereby approved.

Also, you are hereby authorized to simultaneously dedicate North Teague-Tubb Associated Pool gas production from both the F. B. Davis Well Nos. 1 and 5. Furthermore, you are hereby permitted to produce the allowable assigned the subject 160-acre gas spacing and proration unit from both wells in any proportion.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
File: Case No. 11016