STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

February 6, 1996

Texaco Exploration and Production Inc. Attention: C. W. Howard P. O. Box 3109 Midland, Texas 79702

Administrative Order NSL-3625

Dear Mr. Howard:

Reference is made to your application dated December 22, 1995 for a non-standard oil well location within a standard 40-acre oil spacing and proration unit comprising the NE/4 SE/4 (Unit I) of Section 35, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico for your proposed G. L. Erwin "B" Federal NCT-2 Well No. 8 to be drilled 1550 feet from the South line and 700 feet from the East line of said Section 35.

It is our understanding that the subject well is to be a triple completion in the Justis-Blinebry, Justis Tubb-Drinkard, and North Justis McKee pools, it also appears that this well is to be a replacement well to your G. L. Erwin "B" Federal NCT-2 Well No. 3, located at a standard oil well location 1980 feet from the South line and 330 feet from the East line of said Section 35, which, according to Division records is to be plugged and abandoned.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay

Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia

U. S. Bureau of Land Management - Carlsbad