



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



BRUCE KING
GOVERNOR

June 24, 1993

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
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-3267

Dear Mr. Basham:

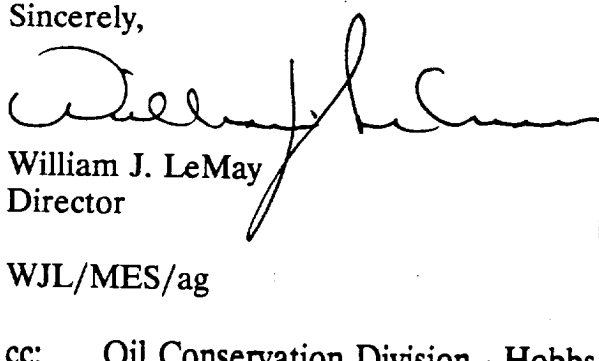
Reference is made to your application dated June 2, 1993 for a non-standard oil well location for the purpose of completing an efficient production/injection pattern within the Texaco Rhodes "A" Federal Waterflood Project Area, established by Division Order No. R-2748-A, dated December 3, 1969.

It is our understanding that the proposed W. H. Rhodes "A" Federal Well No. 7 is to be drilled 1330 feet from the South line and 1200 feet from the West line (Unit L) of Section 22, Township 26 South, Range 37 East, NMPM, Rhodes Yates-Seven Rivers Pool, Lea County, New Mexico.

The NW/4 SW/4 of said Section 22 shall be dedicated to said well forming a standard 40-acre oil spacing and proration unit.

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