



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

April 25, 2003

Lori Wrotenbery

Director

Oil Conservation Division

**J. Cleo Thompson and James Cleo Thompson, Jr., L. P.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504**

Telefax No. (505) 982-2151

Administrative Order NSL-4867

Dear Mr. Bruce:

Reference is made to the following: (i) your initial application that was submitted to the New Mexico Oil Conservation Division ("Division") on April 7, 2003 (**administrative application reference No. pKRV0-309853346**) on behalf of the operator, J. Cleo Thompson and James Cleo Thompson, Jr., L. P. ("J. Cleo Thompson"); (ii) the Division's response by letter dated April 11, 2003 from Mr. Michael E. Stogner, Engineer/Chief Hearing Officer in Santa Fe, New Mexico **denying** this application; (iii) your re-submittal of this application with additional information to the Division on April 16, 2003; and (iv) the Division's records in Santa Fe, including the file in Division Case No. 13058: all concerning J. Cleo Thompson's request for an unorthodox Devonian oil well location for its proposed State "32" Well No. 1 (Northwest Jenkins State Unit Well No. 1) to be drilled 1129 feet from the South line and 2150 feet from the West line (Unit N) of Section 32, Township 8 South, Range 34 East, NMPM, Roosevelt County, New Mexico.

The SE/4 SW/4 of Section 32 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit within the Undesignated Northwest Jenkins-Devonian Pool (33940).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox oil well location will be at a more favorable geologic position within the Devonian formation underlying J. Cleo Thompson's proposed Northwest Jenkins State Unit Area that is the subject Division Case No. 13058 heard on April 24, 2003.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-

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J. Cleo Thompson

April 25, 2003

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described unorthodox Devonian oil well location is hereby approved.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery".

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: Division Case No. 13058