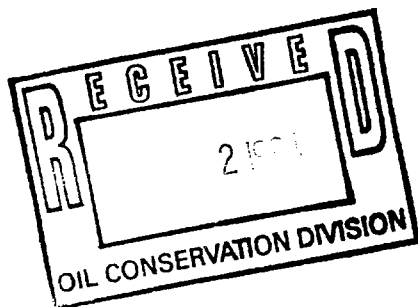


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CASE _____:



Amended Application of EnRe Corporation for a horizontal directional drilling project, a special project allowable, and special operating rules therefor, Rio Arriba County, New Mexico. Applicant in the above-styled cause, seeks authority to institute a horizontal directional drilling project in the Mancos formation, Boulder-Mancos Oil Pool, underlying a project area comprised of the W/2 and the W/2 E/2 of Section 22, Township 28 North, Range 1 West. Applicant proposes to drill its Cedar Canyon 22 G Well No. 1 from a surface location 1650 feet from the North line and 2020 feet from the East line of Section 22, directionally drill in a southwesterly direction to reach the Mancos formation at a true vertical depth of approximately 6722 feet and then drill horizontally until approximately 2400 feet of lateral distance is attained. Applicant further seeks the adoption of special operating provisions and rules within the project area including the designation of a target window for the horizontal portion of the wellbore such that the horizontal or producing portion of the wellbore shall be no closer than 330 feet from the outer boundary of the project area, and for special project allowables. Said project area is located approximately 3 miles west of Bortland, New Mexico.