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> OF COUNSEL O M. CALHOUN® MACK EASLEY JOE W WOOD RICHARD S MORRIS

WASHINGTON, D.C. SPECIAL COUNSEL ALAN J. STATMAN

January 8, 1993

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ROBERT H. BETHEA*

BRADLEY W. HOWARD

CHARLES A. SUTTON*
NORMAN D EWART
DARREN T. GROCE*
MOLLY MCINTOSH

Florene Davidson Oil Conservation Division 310 Old Santa Fe Trail Santa Fe, New Mexico 87503

Re: Case No. 10,652

Dear Florene:

The above case has been continued to the February 4 hearing. Please note that there is an error in the advertisement. unit is the SW\setaSE\square of Section 29, not the SW\setaSW\square. Please make the correction. Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD

OIL CONSERVATION DIVISION

& HENSLEY

James Bruce

JB:frs

JGB5\93041.c

FAX (915) 683-6518 1700 TEAM BANK BUILDING



STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY February 8, 1993

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87504 (505) 827-5800

Pogo Producing Company c/o Hinkle, Cox, Eaton, Coffield & Hensley Attention: James Bruce P.O. Box 2068 Santa Fe, NM 87504-8623

Administrative Order DD-74

Dear Mr. Bruce:

Under the provisions of General Rule 111 (c), (d) and (e), Pogo Production Company made application to the New Mexico Oil Conservation Division on January 8, 1993, for authorization to directionally drill its proposed Mobil Federal Well No. 8, Eddy County, New Mexico.

The Division Director Finds That:

- (1) The application has been duly filed under the provisions of Rule 111(d) and (e) of the Division General Rules and Regulations;
- (2) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 will be met; and,
- (3) The only off-set operator, other than the applicant, submitted a waiver of objection to the subject application.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Pogo Producing Company, is hereby authorized to directionally drill its Mobil Federal Well No. 8, the surface location of which shall be 330 feet from the South line and 1380 feet from the East line (Unit O) of Section 29, Township 23 South, Range 31 East, NMPM, West Sand Dunes-Delaware Pool, Eddy County, New Mexico, by kicking off from the vertical at a depth of approximately 4100 feet, and drilling in such a manner as to penetrate the entire Brushy Canyon member of the Delaware formation (top

Administrative Order DD-74 Pogo Producing Company February 8, 1993 Page No. 2

expected to be found at approximately 6368 feet TVD) within the window established by Division General Rule 104.C(1)(a) considered to be a standard oil well location within the 40-acre tract comprising the SW/4 SE/4 (Unit O) of said Section 29.

<u>PROVIDED HOWEVER THAT</u> prior to commencing directional drilling operations into said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

<u>PROVIDED HOWEVER THAT</u> during or upon completion of directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

- (2) The applicant shall notify the supervisor of the Artesia district office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Artesia offices of the Division upon completion.
- (3) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.
- (4) The SW/4 SE/4 (Unit O) of said Section 29 shall be dedicated to the well forming a standard 40-acre oil spacing and proration unit for the subject pool.
- (5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMÁY

Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad

HINKLE, COX, EATON, COFFIELD & HENSLEY

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January 8, 1993

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OIL CONSERVATION DIVISION

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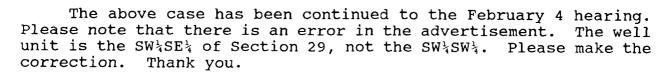
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Florene Davidson Oil Conservation Division 310 Old Santa Fe Trail Santa Fe, New Mexico 87503

> Re: Case No. 10,652

Dear Florene:



Very truly yours,

HINKLE, COX, EATON, COFFIELD

& HENSLEY

James Bruce

JB:frs



STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

February 8, 1993

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Pogo Producing Company c/o Hinkle, Cox, Eaton, Coffield & Hensley Attention: James Bruce P.O. Box 2068 Santa Fe, NM 87504-8623

Administrative Order DD-74

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Administrative Order DD-74 Pogo Producing Company February 8, 1993 Page No. 2

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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMÁY

Director

WJL/MES/amg

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

March 12, 1993

HINKLE, COX, EATON, COFFIELD & HENSLEY Attorneys at Law P. O. Box 2068 Santa Fe, New Mexico 87501

Attn: James Bruce

RE: CASE NO. 10635

ORDER NO. R-9856

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Sally E. Leichtle

Administrative Secretary

cc:

BLM - Carlsbad William Carr T. Kellahin