STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

> CASE NO. 8699 Order No. R-7817-B-1

APPLICATION OF TXO PRODUCTION CORPORATION FOR AMENDMENT OF DIVISION ORDER NO. R-7817, AS AMENDED, EDDY COUNTY, NEW MEXICO.

NUNC PRO TUNC ORDER

BY THE COMMISSION:

It appearing to the Commission that Order No. R-7817-B, dated November 15, 1985, does not correctly state the intended order of the Commission,

IT IS THEREFORE ORDERED THAT:

(1) Finding Paragraph No. (14) on page 3 of Commission Order No. R-7817-B, dated November 15, 1985, issued in Case No. 8699, be and the same is hereby amended to read in its entirety as follows:

"(14) Based upon Findings Nos. (11) and (12) above, the allocation of original tangible and intangible well costs, exclusive of any costs attributable and chargeable solely to either individual zone, should be as follows:

- (a) owners of interests in the shallow interval should pay for 58 percent of the costs of drilling to the depth of 10,000 feet; and
- (b) owners of interests in the deeper interval should pay for 42 percent of the costs of drilling to the depth of 10,000 feet and 100 percent of the costs for drilling from 10,000 feet to total depth."

(2) The corrections set forth in this order be entered nunc pro tunc as of November 15, 1985.

DONE at Santa Fe, New Mexico, on this <u>7th</u> day of December, 1985.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JIM BACA, Membe KELLEY, Member ED Ham R. L. STAMETS, Chairman and Secretary

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