



NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

August 25, 1999

EnergyPro, Inc.
500-A South Hangar Drive
Georgetown, Texas 78628
Attention: Don C. Pfister

Administrative Order NSL-3786-A

Dear Mr. Pfister:

Reference is made to the following: (i) your application on behalf of the operator, Petroleum Development Corporation, dated August 20, 1999; and (ii) the records of the New Mexico Oil Conservation Division ("Division"), including the file on Administrative Order NSL-3786: all concerning Petroleum Development Corporation's request to amend a previously approved order by the Division of an unorthodox oil well location by expanding the vertical limits of the provisions in this order to include the Undesignated South Denton-Wolfcamp Pool.

Division Administrative Order NSL-3786, dated April 16, 1997, authorized Petroleum Development Corporation through its agent EnergyPro, Inc. to drill its Warren State Well No. 1 (API No. 30-025-34034) at an unorthodox oil well location within the South Denton-Devonian Pool 1295 feet from the South line and 880 feet from the East line (Unit P) of Section 35, Township 15 South, Range 37 East, NMPM, Lea County, New Mexico, whereby the SE/4 SE/4 of Section 35 was dedicated in order to form a standard 40-acre oil spacing and proration unit for this pool.

It is the Division's understanding that the deeper Devonian interval is to be plugged-back and the shallower Wolfcamp formation will be tested for oil production. Pursuant to Division Rule 104.B(1)(b) this location is unorthodox for the Undesignated South Denton-Wolfcamp Pool. Further, the SE/4 SE/4 of Section 35, being a standard 40-acre oil spacing and proration unit for this pool, is also to be dedicated to this well.

The subject request has been duly filed under the provisions of Division Rule 104.F.

By the authority granted me under the provisions of Division Rule 104.F(2) the above-described unorthodox oil well location for Petroleum Development Corporation's Warren State Well No. 1 is hereby approved for the Undesignated South Denton-Wolfcamp Pool.

All provisions of Division Administrative Order NSL-3786 shall remain in full force and effect until further notice.

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Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in cursive script that reads "Lori Wrotenberg" followed by a small mark that appears to be "by DAC".

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: NSL-3786