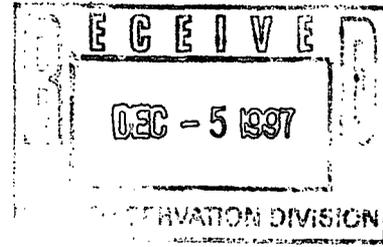


NSL 12/26/97

BURLINGTON RESOURCES

MID-CONTINENT DIVISION



December 1, 1997

Mr. Mike Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: Request for Administrative Approval
Unorthodox Location
Pitchfork '4' Federal Well No. 2
Sec. 4, T25S, R34E, Lea County, New Mexico
Lease No. NM16139

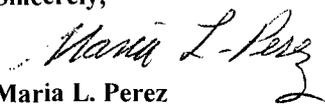
Mr. Stogner:

Burlington Resources Oil & Gas Company respectfully request approval for an unorthodox well location on the above referenced wellbore. The well was originally drilled to 14,100' and perforated in the Atoka formation. The surface location is 1830' FSL & 1980' FWL, with a 320 acre proration unit. It is our contention to plug off the Atoka perforations and come uphole to the Wolfcamp, top @ 12,700' and the Strawn, top @ 13,700' and downhole commingle these zones. An offset wellbore was drilled 150' north of this wellbore, surface location, and is currently producing from the Morrow formation. The logs of the offset wellbore indicate a Wolfcamp reef deposit that is not present at the current location of the number 2. A survey was ran on the number 2 which indicated the location at the top of the Wolfcamp formation to be 1717.55' FSL & 2052.2' FWL. Therefore, it is the request of Burlington to kick off the Pitchfork # 2 at approximately 12,700' and directionally drill due north to where this discontinuous reef deposit is indicated. Because the field rules, Pitchfork Ranch Wolfcamp and Pitchfork Ranch Strawn, both require 660' from the north line of a lay down 320 acre proration unit, and as indicated on the enclosed maps, shows the deposit to be roughly 57' north of an orthodox location, Burlington is requesting an unorthodox approval to drill no closer than 330' from the north line of the 320 acre proration unit in order to adequately penetrate this Wolfcamp limestone. The Strawn formation is a continuous limestone deposit from both wellbores however, is uneconomical to produce independently.

The true encroachment of this request is to the offset operator directly north of the wellbore. Copy of said application has been mailed.

Should you need additional information, or have any questions, please contact me at 915-688-6906.

Sincerely,


Maria L. Perez
Regulatory Compliance

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 S. 1st Street, Artesia, NM 88210-2834
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-30331	² Pool Code 82950/50374	³ Pool Name Pitchfork Ranch Wolfcamp/Strawn
⁴ Property Code 014332	⁵ Property Name Pitchfork '4' Federal	
⁷ OGRID No. 26485	⁸ Operator Name Burlington Resources Oil & Gas Company	⁹ Elevation 3361'

UL or lot no. K	Section 4	Township 25S	Range 34E	Lot. Idn	Feet from the 1830'	North/South Line South	Feet from the 1980'	East/West line West	County Lea
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¹¹ Top of Producing Interval Location

UL or lot no. K	Section 4	Township 25S	Range 34E	Lot. Idn	Feet from the 1717.55'	North/South Line South	Feet from the 2052.2'	East/West line West	County Lea
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¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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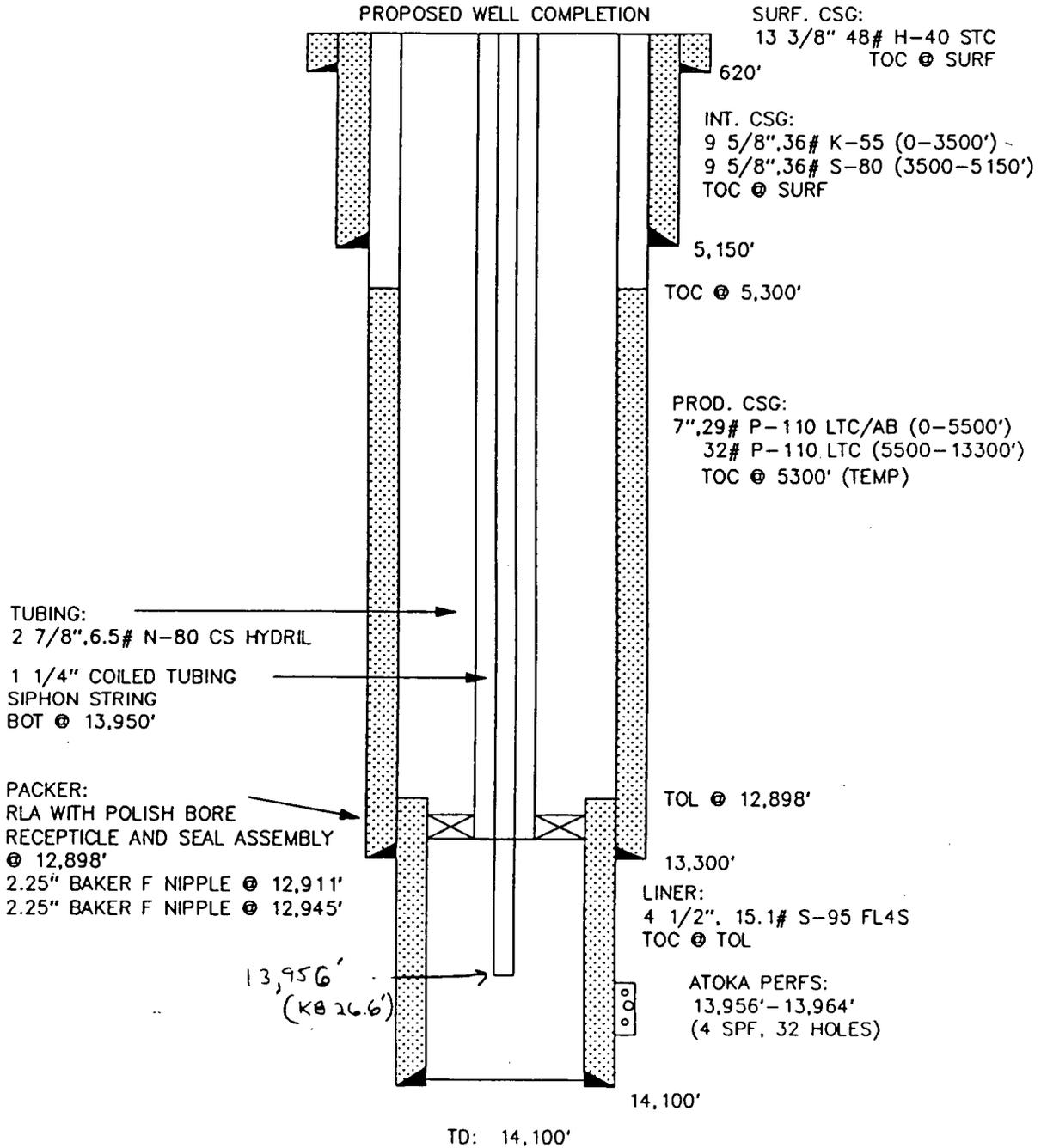
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON--STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Maria Perez</i> Signature Maria Perez Printed Name Regulatory Compliance Title 12/2/97 Date</p>
				<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>320 Acre Proration Unit</p> <p>Date of Survey _____ Signature and Seal of Professional Surveyer: _____ Certificate Number _____</p>

PITCHFORK 4 FEDERAL NO. 2

PITCHFORK RANCH FIELD
LEA COUNTY, NEW MEXICO

WI=100%, NRI=83.5%



**“TARGET LIMESTONE”
NET CLEAN LIMESTONE
CONTOUR INTERVAL = 50’**

300252849100

1 VACA RIDGE 4

300252955800

2 VACA RIDGE 4

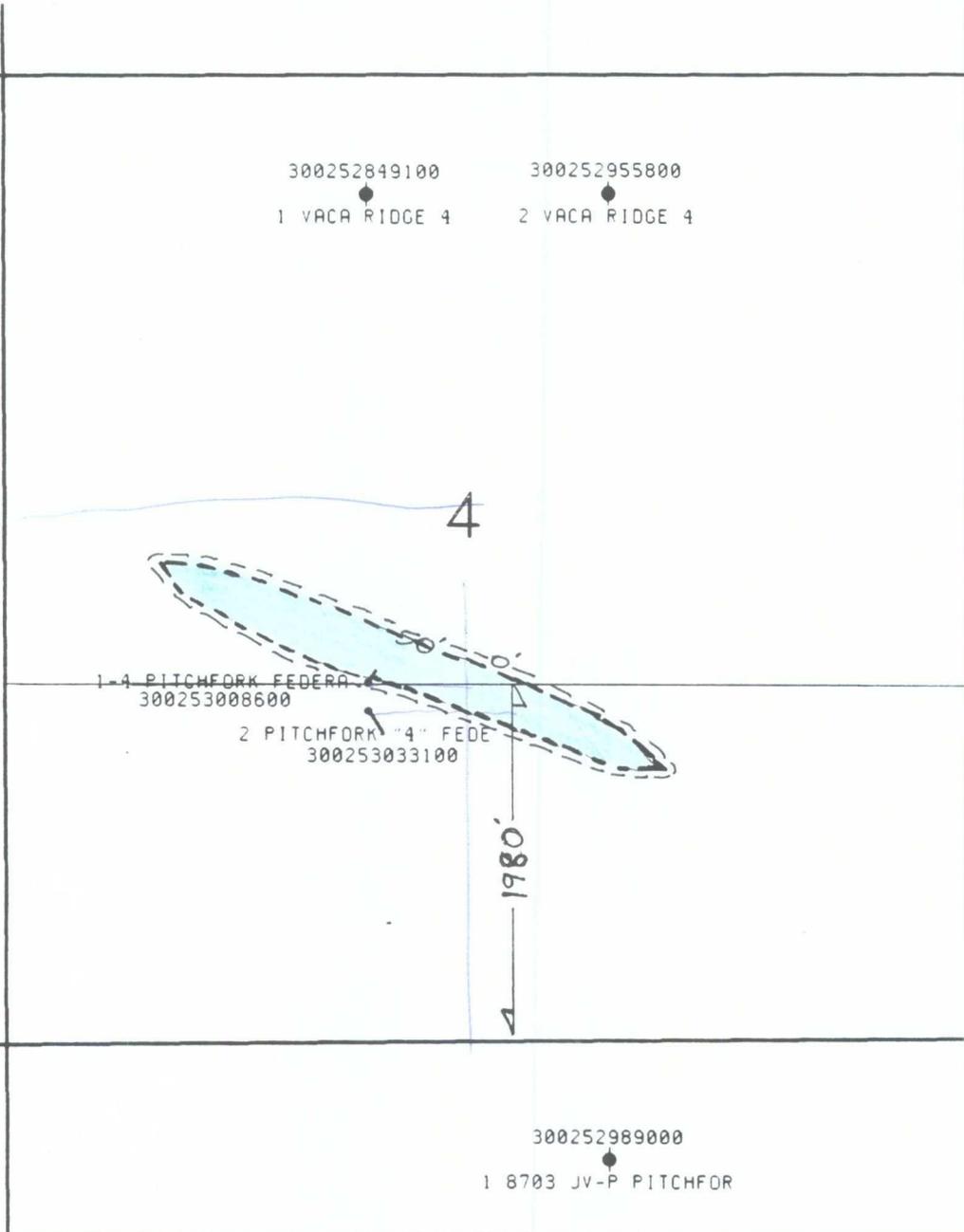
1-4 PITCHFORK FEDERA
300253008600

2 PITCHFORK "4" FEDE
300253033100

1980'

300252989000

1 8703 JV-P PITCHFOR



REQUEST FOR UNORTHODOX LOCATION
ADMINISTRATIVE APPROVAL
PITCHFORK '4' FEDERAL WELL NO. 2
LEA COUNTY, NEW MEXICO

OFFSET OPERATOR NOTIFICATION

Robert E. Landreth
505 N. Big Spring, Ste. 507
Midland, Texas 79701

* Mr. Landreth is the operator of record for the N/2 of Sec. 4, T25S, R34E, Lea County, New Mexico
He purchased Enron's leases.

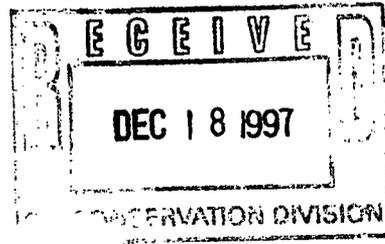
Enron retained originally and

BURLINGTON RESOURCES

MID-CONTINENT DIVISION

December 16, 1997

Mr. Mike Stogner
State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



RE: Attached is copy of Signed Waiver Letter from the Offset Operator
of the previously submitted application for an
unorthodox Sidetrack Lateral Bottom Hole Location

Burlington Resources Oil & Gas Co.
Pitchfork "4" Federal #2, (Lse. #NM 16139)
Surface Location: K, 1830' FSL & 1980' FWL
Sec. 4, T25S, R34E
Lea County, NM

Dear Mr. Stogner:

Enclosed is a copy of the signed waiver by Mr. Robert E. Landreth of Robert E. Landreth
Oil and Gas Exploration who is the offset operator to the north who's lease we are
encroaching upon.

The initial application requesting administrative approval for an unorthodox sidetrack
lateral bottom hole location was submitted to you on December 1, 1997.

Sincerely,

A handwritten signature in cursive script that reads "Maria L. Perez".

Maria L. Perez
Regulatory Representative
A/C 915-688-6906

**BURLINGTON
RESOURCES**

OCT 7 1997

MID-CONTINENT DIVISION

October 6, 1997

Robert E. Landreth
Oil and Gas Exploration
505 N. Big Spring St., Suite 507
Midland, Texas 79701

RE: Pitchfork "4" Federal Lease
Well No. 2
K, 1830' FSL & 1980' FWL
Sec. 4, T25S, R34E
Lea County, New Mexico

Dear Mr. Landreth:

Burlington Resources Oil & Gas Company's Pitchfork "4" Federal Well No. 2 surface location is 1830' FSL & 1980' FWL in Sec. 4, T25S, R34E. Upon running of a directional survey, the bottom hole location was found to be 110' south of the surface location or ~~1870' FSL & 1980' FWL~~. It is our intention to sidetrack this wellbore in a north/northeast direction at a 25 degree angle to a bottom hole location no closer than 330' from the north line of the laydown 320 acre proration unit. According to the field rules for this well, a legal location from the north boundary is 660', therefore our intended location will be encroaching on a Landreth operated property. Burlington Resources respectfully requests a waiver from Robert E. Landreth Oil and Gas Exploration on said encroachment. By signing below, Robert Landreth waives any protest to this unorthodox location.

1718'
REL

2052' REL


Signature

12/1/97
Date

Upon completion of this intended sidetrack, Burlington intends to downhole commingle the Strawn and Wolfcamp formations. As an offset operator to the proposed commingling, Burlington is seeking a waiver of any protest from Robert E. Landreth Oil and Gas Exploration. By signing below, Robert E. Landreth waives any protest and has no objection to the downhole commingling.


Signature

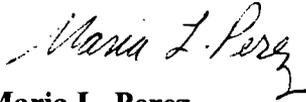
12/1/97
Date

Page -2-

Should you have any questions, or need additional information, please do not hesitate to contact Mr. Chris Settle, Production and Reservoir Engineer at A/C 915-~~699-6940.~~

688-6940

Sincerely,



Maria L. Perez
Regulatory Representative
A/C 915-688-6906

County Lea Pool Pitchfork Ranch-Strawn

TOWNSHIP 24 South Range 34 East NMPM

	6	5	4	3	2	1
	7	8	9	10	11	12
	18	17	16	15	14	13
*	19	20	21	22	23	24
	30	29	28	27	26	25
	31	32	33	34	35	36

Description: NE/4 Sec. 34 (R-9271, 8-28-90)



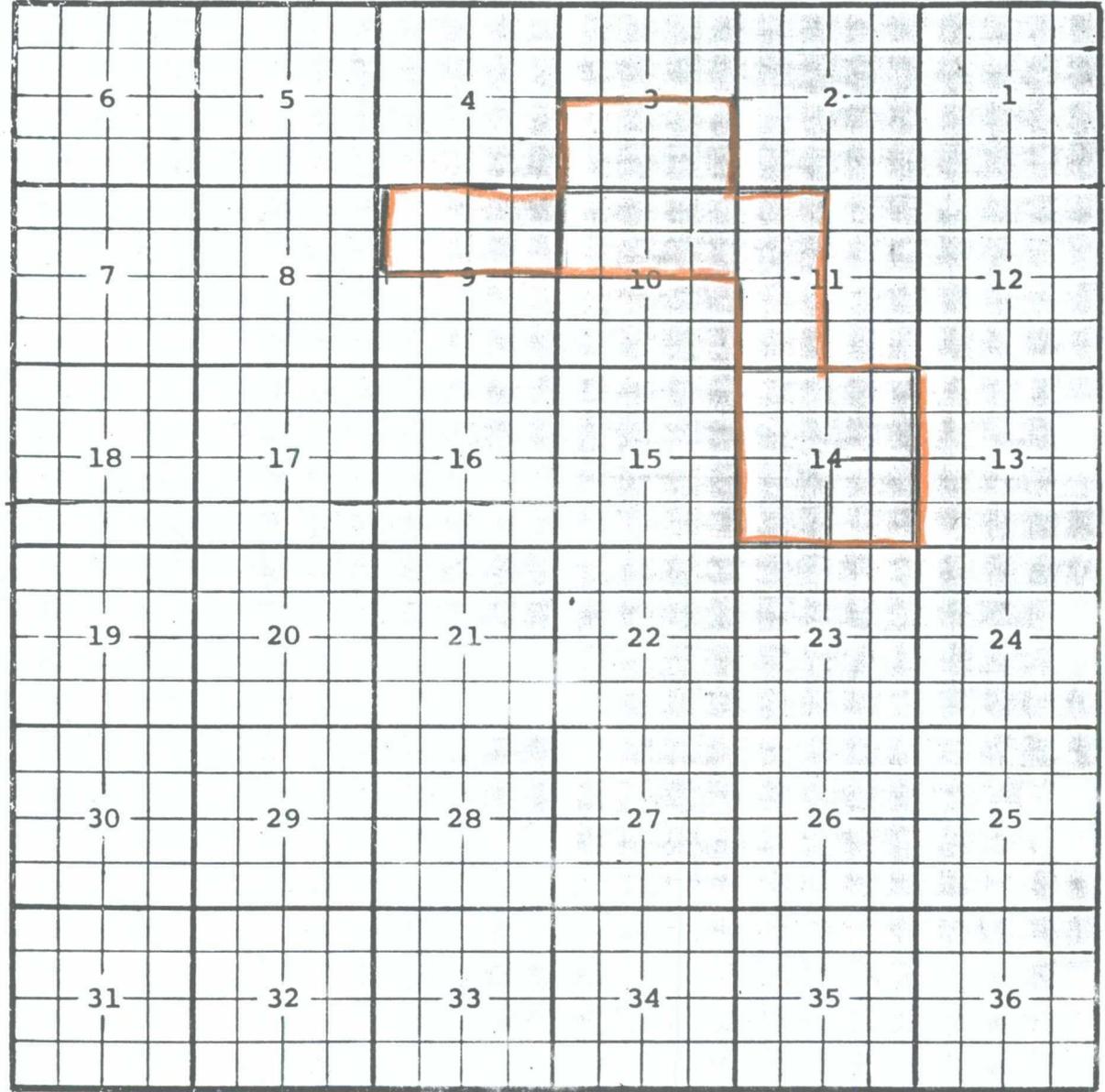
COUNTY Lea

POOL Fairview Mills - Wolfcamp Gas

TOWNSHIP 25 South

RANGE 34 East

NMPM



Description: SE¹/₄ Sec. 14 (R-4969, 4-1-75)

Ext: N¹/₂ & SW¹/₄ Sec 14 (R-4996, 4-8-75) EXT: N¹/₂ SEC 10, W¹/₂ SEC. 11 (R-8561 12/4/87) EXT: S¹/₂ Sec. 3 (R-9937, 8-17-93) EXT: N¹/₂ Sec. 9 (R-10588, 4-26-96)

BURLINGTON RESOURCES

MID-CONTINENT DIVISION
1-13-98

Mr. Mike Stogner
State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: Additional comments you requested on our application
for a bottom hole unorthodox location.

Burlington Resources Oil & Gas Company
Pitchfork "4" Federal #2 (Lse. #NM 16139)
Surface Location: K, 1830' FSL & 1980' FWL
Sec. 4, T25S, R34E
Lea County, New Mexico

Dear Mr. Stogner:

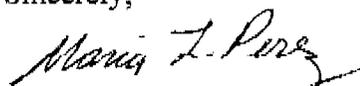
The following are the comments you requested made by the reservoir engineer and the geologist for this area.

The contour plat attached to our application for an unorthodox location is an interpretation of the reef deposition in the Wolfcamp interval. It is oriented along the published coastline during that geologic time.

Reef deposits are highly discontinuous and the only penetration of that Wolfcamp reef deposit is the Pitchfork 4 Federal #1 well to the north. The Pitchfork 4 Federal #2 well offset the #1 well 150' to the south and targeted the Wolfcamp reef and Atoka intervals. Despite the close proximity of the locations, the well missed the Wolfcamp reef. Due to the discontinuous nature of the reef deposit in addition to the lack of control, an orthodox location to the east has a much lower probability of success and may again miss the Wolfcamp reef. The proposed capital workover targeting the reef to the north will ensure we encounter the Wolfcamp reef at its only known location.

Please call me A/C 915-688-6906 if you require additional information.

Sincerely,



Maria L. Perez
Regulatory Representative

3300 N. "A" St., Bldg. 6, 79705-5406, P.O. Box 51810, Midland, Texas 79710-1810, Telephone 915-688-6800



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

ENGINEERING BUREAU MEMORANDUM

TO: Ed Martin - OCD, Santa Fe
Chris Williams, Supervisor - OCD District I, Hobbs
Maria Lopez - Burlington Resources Oil & Gas Company, Midland, Texas

FROM: Michael E. Stogner, Chief Hearing Examiner/Engineer

SUBJECT: Fairview Mills-Wolfcamp Gas Pool

DATE: January 13, 1998

Subsequent to a recent review of an administrative application filed by Burlington Resources Oil & Gas Company, there appears to be some confusion regarding spacing within the Fairview Mills-Wolfcamp Gas Pool, which comprises all or portions of Sections 3, 9, 10, 11, and 14, all in Township 25 South, Range 34 East, NMPM, Lea County, New Mexico.

In 1975 the Fairview Mills-Wolfcamp Gas Pool was created and special rules were temporarily adopted for said pool which included provisions for 640-acre spacing, as promulgated by Division Order No. R-4996, issued in Case 5438 and dated April 8, 1975. By Division Order No. R-4996-A, dated September 27, 1985, these special rules were rescinded and the rules governing said pool reverted to the applicable statewide spacing rules which provides for 320-acre spacing units. Copies of the two aforementioned orders are attached should you need to reference them.

To alleviate any further confusion, please make any necessary adjustments to the Division's records and any ONGARD data base regarding this pool. Thanks.

O	POOL	WELL	POOL TYPE	OIL WELL	GAS	WELL	GAS/OIL	DEPTH
N	IDN	POOL NAME	COUNT	SPACING	SPACING	LIMIT	BRACKET	
S	76074	DIAMONDTAIL;ATOKA, NORTH (GAS)	1	Non Gas	Prorated	0	320	0
S	76075	DOG CANYON;STRAWN (GAS)	1	Non Gas	Prorated	0	320	0
S	76076	DOS HERMANOS;MORROW, NE (GAS)	2	Non Gas	Prorated	0	320	0
S	76079	DIAMOND MOUND;MORROW (GAS)	29	Non Gas	Prorated	0	320	0
S	76080	DOS HERMANOS;MORROW (GAS)	1	Non Gas	Prorated	0	640	0
S	76081	DOS RANCHOS;MONTOKA (GAS)	1	Non Gas	Prorated	0	320	0
S	76082	DOG TOWN DRAW;MORROW (GAS)	2	Non Gas	Prorated	0	320	0
S	76085	DOLLARHIDE;TAN-YATES-7R, WEST (GAS)	2	Non Gas	Prorated	0	160	0
S	76090	DOUBLE X;MORROW, WEST (GAS)	0	Non Gas	Prorated	0	320	0
S	76100	DOUBLE X;WOLFCAMP, WEST (GAS)	0	Non Gas	Prorated	0	320	0
S	76110	DRAPER MILL;UPPER PENN (GAS)	0	Non Gas	Prorated	0	320	0
S	76115	DRAPER MILL;WOLFCAMP (GAS)	2	Non Gas	Prorated	0	320	0
S	76117	DUBLIN;DEVONIAN (GAS)	2	Non Gas	Prorated	0	320	0
S	76120	DUBLIN;ELLENBURGER (GAS)	0	Non Gas	Prorated	0	640	0
S	76125	DUBLIN;FUSSELMAN (GAS)	0	Non Gas	Prorated	0	320	0
S	76130	DUBLIN RANCH;ATOKA (GAS)	11	Non Gas	Prorated	0	320	0
S	76140	DUBLIN RANCH;MORROW (GAS)	9	Non Gas	Prorated	0	320	0
S	76160	DUFFIELD;PENN GAS	2	Non Gas	Prorated	0	160	0
S	76200	EAGLE CREEK;ATOKA (GAS)	1	Non Gas	Prorated	0	320	0
S	76240	EAGLE CREEK;ATOKA-MORROW, E (GAS)	18	Non Gas	Prorated	0	320	0
S	76250	EAGLE CREEK;ATOKA-MORROW, S (GAS)	2	Non Gas	Prorated	0	320	0
S	76280	EAGLE CREEK;PERMO PENN (GAS)	35	Non Gas	Prorated	0	320	0
S	76320	EAGLE CREEK;STRAWN (GAS)	21	Non Gas	Prorated	0	320	0
S	76360	EIDSON;MORROW, NORTH (GAS)	3	Non Gas	Prorated	0	320	0
S	76365	E-K;ATOKA (GAS)	0	Non Gas	Prorated	0	320	0
S	76370	ELKIN;FUSSELMAN, SOUTH (GAS)	1	Non Gas	Prorated	0	320	0
S	76373	ELKINS;SAN ANDRES (GAS)	5	Non Gas	Prorated	0	160	0
S	76375	EMPIRE; ATOKA (GAS)	4	Non Gas	Prorated	0	320	0
S	76377	EMPIRE; ATOKA, NORTH (GAS) (ABAND)	0	Non Gas	Prorated	0	320	0
S	76380	EMPIRE; GRAYBURG (GAS)	1	Non Gas	Prorated	0	160	0
S	76400	EMPIRE; MORROW, SOUTH (GAS)	38	Non Gas	Prorated	0	320	0
S	76440	EMPIRE; PENN (GAS)	6	Non Gas	Prorated	0	320	0
S	76460	ESPELA;WOLFCAMP (GAS)	1	Non Gas	Prorated	0	320	0
S	76480	EUMONT;YATES-7 RVRS-QUEEN (PRO GAS)	705	Gas	Prorated	0	160	0
S	76520	EUNICE;SAN ANDRES, NORTH (GAS)	1	Non Gas	Prorated	0	160	0
S	76530	FAIRVIEW MILLS;ATOKA (GAS)	1	Non Gas	Prorated	0	320	0
S	76560	FAIRVIEW MILLS;WOLFCAMP (GAS)	2	Non Gas	Prorated	0	640	0
S	76580	FENTON DRAW;MORROW (GAS)	1	Non Gas	Prorated	0	320	0
S	76700	FOWLER;UPPER SILURIAN (GAS)	1	Non Gas	Prorated	0	320	0
S	76720	FLYING M;ATOKA, SOUTH (GAS)	2	Non Gas	Prorated	0	320	0
S	76724	FOOR RANCH PENN,NO. (GAS) (ABOLISHED)	0	Non Gas	Prorated	0	320	0
S	76730	FOOR RANCH;PRE PERMIAN (GAS)	34	Non Gas	Prorated	0	320	0
S	76750	FOOR RANCH;WOLFCAMP (GAS)	11	Non Gas	Prorated	0	320	0
S	76755	FOOR RANCH;WOLFCAMP, NORTH (GAS)	1	Non Gas	Prorated	0	320	0
S	76760	FORDINKUS CISCO (GAS) (ABOLISHED)	0	Non Gas	Prorated	0	320	0

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5438
Order No. R-4996

APPLICATION OF EXXON CORPORATION
FOR SPECIAL POOL RULES, LEA
COUNTY, NEW MEXICO.

*See Also Order
No. R-4996-A*

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 19, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of April, 1975, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Exxon Corporation, seeks the creation of a new gas pool for Wolfcamp production in Lea County, New Mexico, and the promulgation of special rules and regulations governing said pool, including a provision for 640-acre spacing units.

(3) That the Fairview Mills-Federal Well No. 1 located in Unit O of Section 14, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico, having its top perforations at 13,797 feet, has discovered a separate common source of supply which should be designated the Fairview Mills-Wolfcamp Gas Pool; that the vertical limits of said pool should be the Wolfcamp formation and that the horizontal limits of said pool should be all of said Section 14.

(4) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, temporary special rules and regulations providing for 640-acre spacing units should be promulgated for the Fairview Mills-Wolfcamp Gas Pool.

(5) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(6) That special rules and regulations should be established for a temporary period to expire one year from the date that a pipeline connection is first obtained for a well in the pool; that during this temporary period all operators in the subject pool should gather all available information relative to drainage and recoverable reserves.

(7) That this case should be reopened at an examiner hearing one year from the date that a pipeline connection is first obtained for a well in the Fairview Mills-Wolfcamp Gas Pool, at which time the operators in the subject pool should appear and show cause why the Fairview Mills-Wolfcamp Gas Pool should not be developed on 160-acre spacing units.

(8) That the first operator to obtain a pipeline connection for a well in the Fairview Mills-Wolfcamp Gas Pool should notify the Commission in writing of such fact, and that the Commission should thereupon issue a supplemental order designating an exact date for reopening this case.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production, is hereby created and designated the Fairview Mills-Wolfcamp Gas Pool, with vertical limits comprising the Wolfcamp formation and horizontal limits comprising the following-described area:

LEA COUNTY, NEW MEXICO
TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
Section 14: All

(2) That temporary special Rules and Regulations for the Fairview Mills-Wolfcamp Gas Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
FAIRVIEW MILLS-WOLFCAMP GAS POOL

RULE 1. Each well completed or recompleted in the Fairview Mills-Wolfcamp Gas Pool or in the Wolfcamp formation within one mile thereof, and not nearer to or within the limits of another designated Wolfcamp gas pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 640 acres, more or less, consisting of a governmental section.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit and the unorthodox size or shape of the unit is necessitated by a variation in the legal subdivision of the United States Public Land Surveys, or the following facts exist and the following provisions are complied with:

- (a) The non-standard unit consists of quarter-quarter sections or lots that are contiguous by a common bordering side.
- (b) The non-standard unit lies wholly within a governmental section and contains less acreage than a standard unit.
- (c) The applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the section in which the non-standard unit is situated and which acreage is not included in said non-standard unit.
- (d) In lieu of Paragraph (c) of this rule, the applicant may furnish proof of the fact that all of the aforesaid operators were notified by registered or certified mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if no such operator has entered an objection to the formation of such non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located no nearer than 1650 feet to the outer boundary of the section and no nearer than 330 feet to any governmental quarter-quarter section line.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proration unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proration unit or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Fairview Mills-Wolfcamp Gas Pool or in the Wolfcamp formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before April 30, 1975.

(2) That, pursuant to Paragraph A. of Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, existing wells in the Fairview Mills-Wolfcamp Gas Pool shall have dedicated thereto 640 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C. of said Section 65-3-14.5, existing wells may have non-standard spacing or proration units established by the Commission and dedicated thereto.

Failure to file new Forms C-102 with the Commission dedicating 640 acres to a well or to obtain a non-standard unit approved by the Commission within 60 days from the date of this order shall subject the well to cancellation of allowable. Until said Form C-102 has been filed or until a non-standard unit has been approved, and subject to said 60-day limitation, each well presently drilling to or completed in the Fairview Mills-Wolfcamp Gas Pool or in the Wolfcamp formation within one mile thereof shall receive no more than one-fourth of a standard allowable for the pool.

(3) That this case shall be reopened at an examiner hearing one year from the date that a pipeline connection is first obtained for a well in the Fairview Mills-Wolfcamp Gas Pool, at which time the operators in the subject pool may appear and show cause why the Fairview Mills-Wolfcamp Gas Pool should not be developed on 160-acre spacing units.

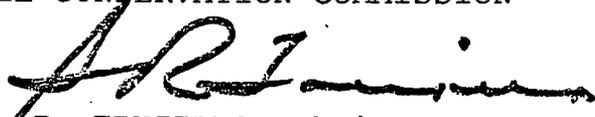
(4) That the first operator to obtain a pipeline connection for a well in the Fairview Mills-Wolfcamp Gas Pool shall notify the Commission in writing of such fact, and that the Commission will thereupon issue a supplemental order designating an exact date for reopening this case.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

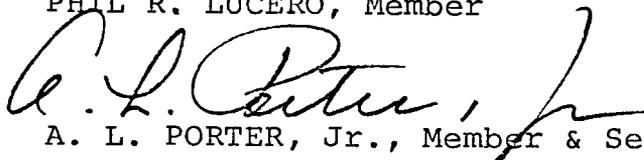
-5-
Case No. 5438
Order No. R-4996

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

PHIL R. LUCERO, Member


A. L. PORTER, Jr., Member & Secretary

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 5438 (Reopened)
Order No. R-4996-A

IN THE MATTER OF DIVISION CASE NO.
5438 BEING REOPENED PURSUANT TO THE
PROVISIONS OF DIVISION ORDER NO.
R-4996, WHICH ORDER CREATED AND
PROMULGATED TEMPORARY SPECIAL RULES
AND REGULATIONS FOR THE FAIRVIEW MILLS-
WOLFCAMP GAS POOL, LEA COUNTY, NEW
MEXICO.

*See Also Order
No. R-4996*

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on August 28, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 27th day of September, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) By Division Order No. R-4996, dated April 8, 1975, the Division created, defined, and classified the Fairview Mills-Wolfcamp Gas Pool, Lea County, New Mexico, and Temporary Special Rules and Regulations were promulgated therefor, including a provision for 640-acre spacing and proration units.

(3) Pursuant to the provisions of said Order No. R-4996, this case was reopened to allow the operators in the subject pool to appear and show cause why the Fairview Mills-Wolfcamp Gas Pool should not be developed on standard spacing and proration units.

(4) Since the inception of the Fairview Mills-Wolfcamp Gas Pool, only one well has produced from the pool, the Exxon Corporation Fairview Mills Federal Well No. 1 located in the SW/4 SE/4 of Section 14, Township 25 South, Range 34 East, NMPM, Lea County, New Mexico, which was also the discovery well for the subject pool.

(5) Said well produced from the Wolfcamp formation between August, 1975 and July, 1976 and was plugged in 1976.

(6) At the time of the hearing there were no appearances by interested or affected parties.

(7) It is not known at this time whether additional wells will be completed in the subject pool.

(8) In the absence of additional testimony showing why the Fairview Mills-Wolfcamp Gas Pool should not be developed on standard spacing and proration units, the Temporary Special Rules and Regulations promulgated by Division Order No. R-4996 should be rescinded and said pool should be governed by the Statewide Rules.

IT IS THEREFORE ORDERED THAT:

(1) The Temporary Special Rules and Regulations for the Fairview Mills-Wolfcamp Gas Pool, promulgated by Division Order No. R-4996, dated April 8, 1975, are hereby rescinded and the pool is placed under the Statewide Rules.

(2) 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



R. L. STAMETS
Director

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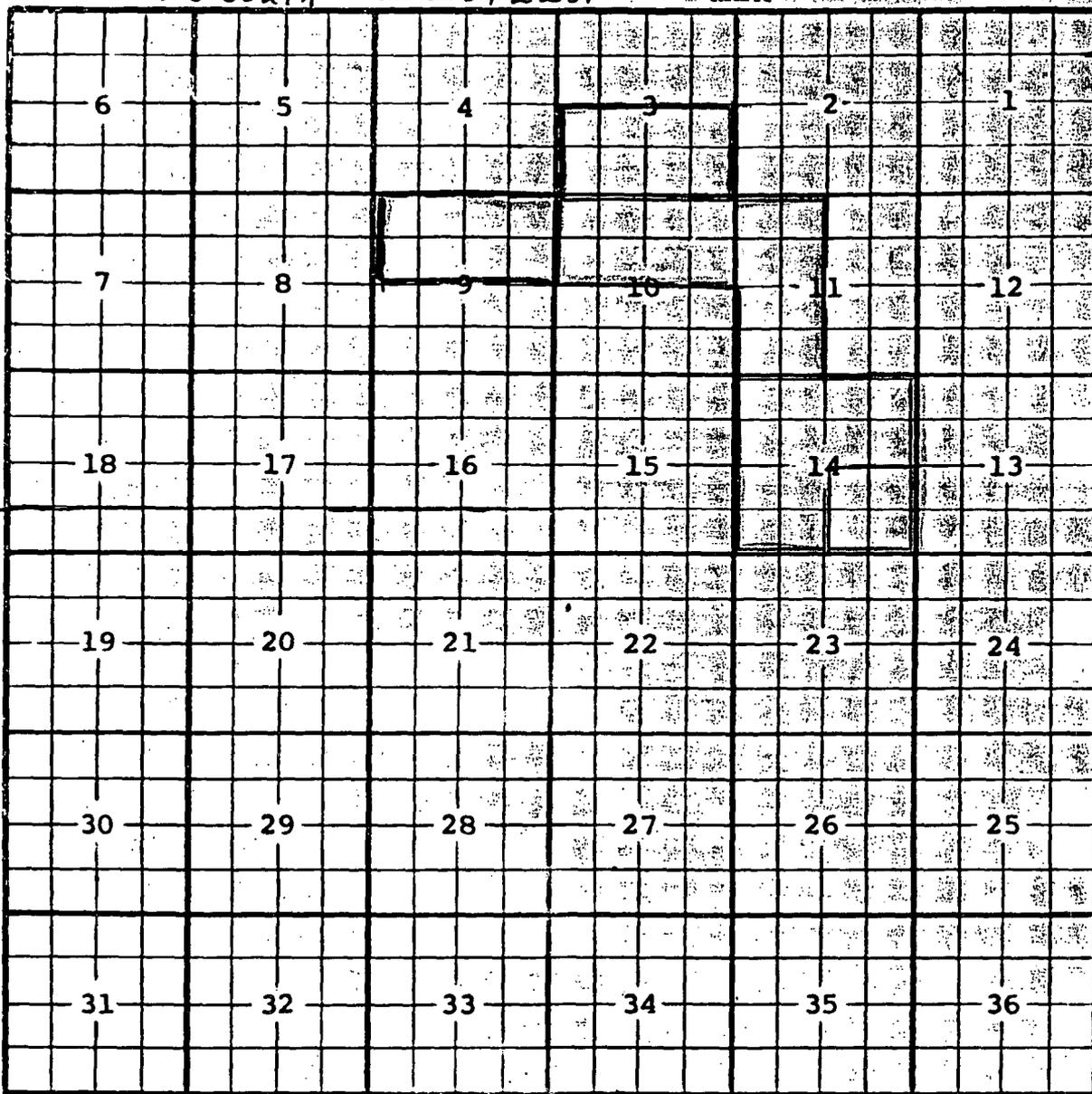
COUNTY *Lea*

POOL *Fairview Mills - Wolfcamp Gas*

TOWNSHIP *25 South*

RANGE *34 East*

NMPM



Description: $SE\frac{1}{4}$ Sec. 14 (R-4969, 4-1-75)

Ext: $N\frac{1}{2}$ & $SW\frac{1}{4}$ Sec 14 (R-4996, 4-8-75) Ext: $N\frac{1}{2}$ SEC 10, $W\frac{1}{2}$ SEC 11
(R-8561 (2/4/87) Ext: $S\frac{1}{2}$ Sec. 3 (R-9937, 8-12-93) Ext: $N\frac{1}{2}$ Sec. 9 (R-10588, 4-26-96)