



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

January 31, 2001

Lori Wrotenbery
Director
Oil Conservation Division

David H. Arrington Oil & Gas, Inc.
c/o William F. Carr
Holland & Hart L.L.P. and Campbell & Carr
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Telefax No. (505) 983-6043

Administrative Order NSL-4544

Dear Mr. Carr:

Reference is made to the following: (i) your application on behalf of the operator, David H. Arrington Oil & Gas, Inc. ("Arrington"), dated December 29, 2000; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Arlington's request for its proposed Green Wooley [sic] Booger Federal "5" Well No. 1 to be drilled at an unorthodox Cisco gas well location 2330 feet from the South line and 860 feet from the West line (Unit L) of Section 5, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico.

Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 5 is to be dedicated to this well in order to form a standard 321.22-acre stand-up gas spacing and proration unit for the Undesignated Antelope Sink-Upper Pennsylvanian Gas Pool.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox gas well location will be at a more favorable geologic position within the lower portion of the Cisco formation than a well drilled at a location considered to be standard within the proposed unit.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox gas well location within the Undesignated Antelope Sink-Upper Pennsylvanian Gas Pool is hereby approved.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad