

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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

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SEP -1 1993

OIL CON. DIV.
DIST. 3

CASE NO. 10778
ORDER NO. R-9950

APPLICATION OF CONOCO, INC. FOR A HIGH ANGLE/HORIZONTAL
DIRECTIONAL DRILLING PILOT PROJECT, SPECIAL OPERATING RULES
THEREFOR AND AN UNORTHODOX PRODUCING INTERVAL, SAN JUAN COUNTY,
NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on July 29, 1993, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 30th day of August, 1993 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) The applicant, Conoco, Inc., seeks to initiate a high angle/horizontal directional drilling pilot project within an existing 320-acre standard gas spacing and proration unit in the Basin-Fruitland Coal Gas Pool comprising the E/2 of said Section 21, Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico.
- (3) The proposed pilot project is within the boundaries of the Basin-Fruitland Coal Gas Pool and as such is subject to the Special Rules and Regulations for said pool as promulgated by Division Order No. R-8768, as amended, which provides for 320-acre standard gas spacing and proration units, requires that wells be located in either the NE/4 or SW/4 of a governmental section and no closer than 790 feet from the outer boundary of the spacing unit nor closer than 130 feet from any quarter-quarter section line or subdivision