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

CASE NO. 10565 ORDER NO. R-9770-A

APPLICATION OF CONOCO, INC. FOR DIRECTIONAL DRILLING AND AN UNORTHODOX BOTTOMHOLE GAS WELL LOCATION, EDDY COUNTY, NEW MEXICO

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the Division that Order No. R-9770 dated November 19, 1992, does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED THAT:

(1) Finding Paragraph No. (2) on page 1 of said Division Order No. R-9770 be and the same is hereby amended to read in its entirety as follows:

"(2) The applicant, Conoco, Inc., seeks authorization to directionally drill its proposed Preston Federal Well No. 6 from a surface location 990 feet from the North line and 460 feet from the East line (Unit A) of Section 35, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico, in such a manner as to bottom the well in the Undesignated Cemetery-Morrow Gas Pool at an unorthodox bottomhole gas well location in the NE/4 NE/4 of said Section 35 and provided said wellbore is no closer than 660 feet from the North and East lines of said Section 35, the N/2 of the Section is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for said gas pool."

(2) Decretory Paragraph No. (1) on page 3 of said Division Order No. R-9770 be and the same is hereby amended to read in its entirety as follows:

"(1) The application of Conoco, Inc. is hereby approved for its Preston Federal Well No. 6 to be located at a surface location of 990 feet from the North line and 460 feet from the East line (Unit A) of Section 35, Township 20 South, Range 24 East, NMPM, Eddy County, New Mexico, and directionally drill in such a manner as to penetrate both the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool and the Undesignated Cemetery-Morrow Gas Pool at a location that is no closer than 660 feet from the North and East lines of said Section 35, nor closer than 330 feet from the South and West lines of the NE/4 NE/4 sub-sectional lines, being a standard subsurface location for production from the Cisco formation and an unorthodox subsurface gas well location for production from the Morrow formation. ''

(3) The corrections set forth in this order be entered <u>nunc pro tunc</u> as of November 19, 1992.

DONE at Santa Fe, New Mexico, on this 30th day of November, 1992.

STATE OF NEW MEXIÇO OIL CONSERVATION DIVISION

WILLIAM J. LEMAY Director

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