



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**October 25, 2005**

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

**CDX Rio, L.L.C.  
2010 Afton Place  
Farmington, New Mexico 87401**

**Attention: Richard Corcoran  
Land Manager**  
[Rich.corcoran@cdxgas.com](mailto:Rich.corcoran@cdxgas.com)

## **Administrative Order NSL-5290**

Dear Mr. Corcoran:

Reference is made to the following: (i) your application dated August 23, 2005 that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on August 29, 2005 (*administrative application reference No. pMES0-529839247*); and (ii) the Division's records in Aztec and Santa Fe: all concerning CDX Rio, L.L.C.'s ("CDX") request for an exception to the well location requirements provided within the "*Special Rules and Regulations for the Basin-Dakota Pool*," as promulgated by Division Order No. R-10987-B, dated June 30, 2000, as amended by Division Orders No. R-10987-B (1), dated August 10, 2000, and R-10987-B (2), dated January 29, 2002, for its proposed Jicarilla Apache Tribal "151" Well No. 7-G to be drilled at an unorthodox infill gas well location 1470 feet from the North line and 2305 feet from the West line (Unit F) of Section 4, Township 26 North, Range 5 West, NMPM, Basin-Dakota Pool (71599), Rio Arriba County, New Mexico.

The Basin-Dakota gas production from this well is to be included within an existing standard 319.77-acre stand-up gas spacing and proration unit ("GPU") comprising Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 4, which is currently dedicated to CDX's: (i) Jicarilla Apache Tribal "151" Well No. 7 (**API No. 30-039-21675**), located at a standard gas well location 790 feet from the South and West lines (Unit M) of Section 4; (ii) Jicarilla Apache Tribal "151" Well No. 7-E (**API No. 30-039-23163**), located at a standard infill gas well location 1030 feet from the North line and 1050 feet from the West line (Lot 4/Unit D) of Section 4; and (iii) recently drilled Jicarilla Apache Tribal "151" Well No. 7-F (**API No. 30-039-27839**), located at a standard infill gas well location ~~1700 feet from the South line and 1970 feet from the West line (Unit K)~~ of Section 4.

This application has been duly filed under the provisions of Division Rules 104.F and 605.B and the applicable rules governing the Basin-Dakota Pool.

CDX Rio, L.L.C.

October 25, 2005

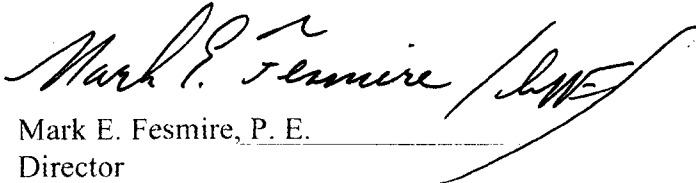
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By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Basin-Dakota infill gas well location for CDX's proposed Jicarilla Apache Tribal "151" Well No. 7-G is hereby approved. Further, all four of the aforementioned Jicarilla Apache Tribal "151" Wells No. 7, 7-E, 7-F, and 7-G and existing 319.77-acre GPU will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico and to the Basin-Dakota Pool.

Sincerely,

  
Mark E. Fesmire, P. E.  
Director

MEF/ms

cc: U. S. Bureau of Land Management – Farmington  
New Mexico Oil Conservation Division – Aztec