



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

July 30, 1996

Cobra Oil & Gas Corporation
P.O. Box 8206
Wichita Falls, Texas 76307-8206
Attention: Rory Edwards

Administrative Order NSL-3694

Dear Mr. Edwards:

Reference is made to your application dated July 2, 1996 for a non-standard oil well location for your proposed Bronco Farms "5" Federal Well No. 5 to be drilled 1034 feet from the North line and 2189 feet from the East line (Lot 2/Unit B) of Section 5, Township 10 South, Range 38 East, NMPM, Lea County, New Mexico.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox oil well location will be at a more favorable geologic position within the Devonian formation than a well drilled at a location considered to be standard within the proposed 39.66-acre oil spacing and proration unit comprising Lot 2 of said Section 5.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad