

PROPOSED ADVERTISEMENT

CASE 11091

Application of Mobil Exploration & Producing U.S. Inc. as agent for Mobil Producing TX & NM Inc. for a high angle/horizontal directional drilling pilot project and special operating rules therefor including a non-standard oil spacing and proration unit, and a special project allowable and testing period, Lea County, New Mexico. Applicant seeks to initiate a horizontal drilling project in the Wildcat Drinkard member of the Wildcat Drinkard Oil Pool, underlying the NW/4 of Section 34 and the NW/4SW/4 of Section 33, T-17-S, R-35-E. Applicant proposes to drill by commencing at a standard oil well surface location as follows:

State M #16 at 330' FWL, 2075' FNL, Section 34 T-17-S, R-35-E, kicking off from vertical from an East, North-Easterly direction, penetrating the Drinkard 200' from surface location and horizontally to traverse the proposed producing area.

State M #17 at 1813' FWL, 809' FNL, Section 34, T-17-S, R-35-E, kicking off from vertical from a West, South-westerly direction, penetrating the Drinkard 200' from surface location and horizontally to traverse the proposed producing area.

State O #3 at 330' FWL, 1846' FSL, Section 33, T-17-S, R-35 E, kicking off from vertical from East, North-Easterly direction, penetrating the Drinkard 50' from surface location and horizontally to traverse the proposed producing area.

Applicant further seeks the adoption of special operating provisions and rules within the project area including the designation of a target window such that the horizontal or producing portion of the wellbore shall be no closer than 330 feet to any boundary of a non-standard spacing and proration unit consisting of the NW/4 of Section 34 and the NW/4SW/4 of Section 33, and for a special project allowable and testing period. Said project is located approximately 2 miles from Buckeye, New Mexico.