CASE _____ :

Application of AnSon Gas Corporation for compulsory pooling, a non-standard oil proration unit, an unorthodox bottomhole location, a high angle/horizontal directional drilling pilot project, special operating rules therefor, and a special project allowables, Lea County, New Mexico.

Case 11372

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian formation, underlying the E/2 NW/4 (Unit F) of Section 33, Township 16 South, Range 38 East, to form a standard 80-acre non-standard oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent which presently includes but is not necessarily limited to the

Said unit is to be dedicated to its Mary "33" Well No. 1 to be drilled at a standard location 2040 feet from the North line and 2310 feet from the West line of said Section 33. Also to be considered will the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately

Applicant, also seeks to initiate a high angle/horizontal directional drilling pilot project in the Devonian formation underlying the E/2 NW/4 of said Section 33 forming a non-standard proration unit for this pool. Applicant proposes to recomplete the existing Mary "33" Well No. 1 by kicking off from vertical in a north, northeasterly direction commencing to build angle at an appropriate rate to horizontally traverse the proposed producing area. Further, applicant seeks approval of an unorthodox bottomhole location within 90 feet of the eastern outer boundary of the project area. The applicant also requests the assignment of a special project allowable for the proposed oversized oil spacing and proration unit. Said unit is located approximately 3 miles north-northwest of Knowles, New Mexico.