

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

CASE NO. 9754
ORDER NO. R-9079-A

APPLICATION OF MERRION OIL AND GAS
CORPORATION FOR A HORIZONTAL DIRECTIONAL
DRILLING PILOT PROJECT, SPECIAL OPERATING
RULES THEREFOR, NON-STANDARD OIL PRORATION
UNIT, UNORTHODOX OIL WELL LOCATION, AND
SIMULTANEOUS DEDICATION, MCKINLEY COUNTY,
NEW MEXICO

NUNC PRO TUNC ORDER

BY THE DIVISION:

(1) It appearing to the Division that Order No. R-9079 dated December 14, 1989, 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 Order No. R-9079 be and the same is hereby amended to read as follows:

"(2) The applicant, Merrion Oil and Gas Corporation, seeks the formation of an 80-acre non-standard oil spacing and proration unit in the Papers Wash-Entrada Oil Pool comprising the SW/4 NW/4 and the NW/4 SW/4 of Section 15, Township 19 North, Range 5 West, NMPM, McKinley County, New Mexico, for the purpose of initiating a horizontal drilling pilot project therein and to further promulgate special rules and provisions within said pilot project area including the designation of a target window limiting the horizontal displacement of a wellbore and special allowable considerations."

(2) Finding Paragraph No. (13) on page 3 of said Order No. R-9079 be and the same is hereby amended to read as follows:

"(13) Currently there is an existing Papers Wash-Entrada Oil Pool producing well within the proposed project area operated by the applicant, this being the Navajo Allotted 15 Well No. 4 located 2310 feet from the South line and 990 feet from the West line (Unit L) of said Section 15."

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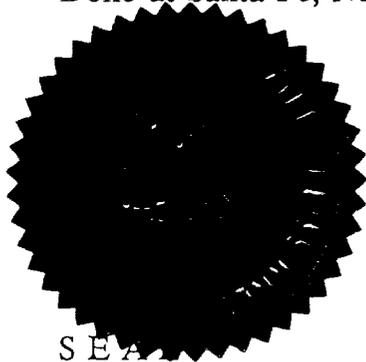
(3) Decretory Paragraph No. (1) on page 3 of said Order No. R-9079 be and the same is hereby amended to read as follows:

"(1) The application of Merrion Oil and Gas Corporation for a horizontal directional drilling pilot project consisting of the SW/4 NW/4 and NW/4 SW/4 of Section 15, Township 19 North, Range 5 West, NMPM, Papers Wash-Entrada Oil Pool, McKinley County, New Mexico, forming a non-standard 80-acre oil spacing and proration unit is hereby approved."

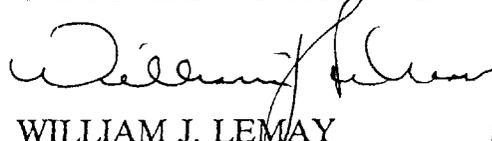
(4) All other references to the "Navajo Allotted "15" Well No. 5" made in Finding Paragraph No. (16) on page 3 and Decretory Paragraph Nos. (3) and (5) on page 4 of said Order No. R-9079 shall be amended to read "Navajo Allotted "15" Well No. 4".

(5) The corrections set forth in this order be entered nunc pro tunc as of December 14, 1989.

Done at Santa Fe, New Mexico, on this 1st day of February, 1990.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director