

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 12953
ORDER NO. R-11896-A

APPLICATION OF PERMIAN RESOURCES, INC. FOR COMPULSORY
POOLING, UNORTHODOX WELL LOCATION, DESIGNATION OF A
SPECIAL PROJECT AREA, AND SIMULTANEOUS DEDICATION, LEA
COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on October 24, 2002 before Examiner David K. Brooks. NOW, on this 11th day of July, 2003, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT;

- (1) Due public notice has been given, and the Division has jurisdiction of this case and of the subject matter.
- (2) Order No. R-1 1896 was entered in this case on February 10, 2003.
- (3) As a result of a clerical error, Order No. R-1 1896 provided in Ordering Paragraph (1) that the surface location of the proposed Chambers Well No. 2 would be 802 feet from the South line and 1,038 feet from the East line of Section 7, Township 16 South, Range 36 East, NMPM, Lea County, New Mexico. The correct, intended location was and is 1,038 feet from the South line and 802 feet from the East line (Unit P) of said Section 7.
- (4) This order should be entered *nunc pro tunc* to correct the referenced error.

IT IS THEREFORE ORDERED THAT:

(1) Ordering Paragraph (1) of Order No. R-1 1896 is hereby amended to read:

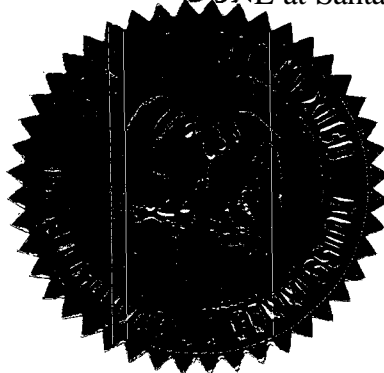
"Pursuant to the application of Permian Resources, Inc., all uncommitted mineral interests in the **Strawn** formation underlying the S/2 SE/4 of Section 7, Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, are hereby pooled, forming a standard 80-acre oil spacing and proration unit as to the Northeast Shoe Bar-Strawn Pool.

The 80-Acre Unit shall be dedicated to Applicant's proposed Chambers Well No. 2 to be drilled at an unorthodox well location [surface location 1,038 feet from the South line and 802 feet from the East line, and bottom hole location approximately 950 feet from the South line and 1,500 feet from the East line] within the S/2 SE/4 of Section 7."

(2) In all other respects, except as hereby expressly modified, Order No. R-11896 shall remain in full force and effect according to its terms.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery
LORI WROTENBERY
Director