



O.C.D. Ritchie

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

July 13, 2005

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OCC-AMTESIA

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

David H. Arrington Oil & Gas, Inc.

c/o **Ann E. Ritchie, Regulatory Agent**

ann.ritchie@wtor.net

P. O. Box 953

Midland, Texas 79702

Administrative Order NSL-4544-A

Dear Ms. Ritchie:

Reference is made to the following: (i) your application dated June 16, 2005 (*administrative application reference No. pSEM0-517935448*) and filed on behalf of the operator, David H. Arrington Oil & Gas, Inc. ("Arrington"), with the New Mexico Oil Conservation Division ("Division") on June 27, 2005; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe, including the file on Division Administrative Order NSL-4544: all concerning Arrington's request for an unorthodox Wolfcamp gas well location within a proposed 321.22-acre standard stand-up gas spacing unit comprising Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 5, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico.

This unit is to be dedicated to Arrington's plugged and abandoned Green Wooley-Booger Federal "5" Well No. 1 (API No. 30-015-31498) located 2330 feet from the South line and 860 feet from the West line (Unit L) of Section 5.

Your application has been duly filed under the provisions of Division Rules 104.F and 1207.A (2).

It is the Division's understanding that Arrington initially drilled this well in 2001 to a total depth of 8,610 feet and was subsequently completed in the Antelope Sink-Upper Pennsylvanian Gas Pool (70520) at an unorthodox gas well location (approved by Division Administrative Order NSL-4544, dated January 31, 2001) within a standard 321.22-acre stand-up gas spacing unit also comprising the W/2 equivalent of Section 5. In May, 2003 this well was plugged and abandoned.

It is our understanding that Arrington now intends to reenter this well to test the Wolfcamp formation for wildcat gas production.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Wolfcamp gas well location for the Green Wooley-Booger Federal "5" Well No. 1 is hereby approved.

David H. Arrington Oil & Gas, Inc.

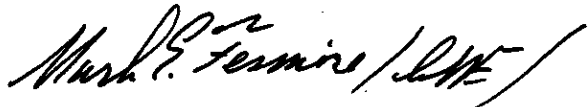
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Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P. E.

Director

MEF/ms

cc: New Mexico Oil Conservation Division - Artesia

U. S. Bureau of Land Management - Carlsbad

File: NSL-4544