



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

BETTY RIVERA

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

April 16, 2002

Dominion Oklahoma Texas Exploration, Inc.
14000 Quail Springs Parkway #600
Oklahoma City, Oklahoma 73134-2600
Attention: Joe W. Hammond

Telefax No. (405) 749-6662



Administrative Order NSL-4719

Dear Mr. Hammond:

Reference is made to the following: (i) your initial application dated February 25, 2002 that was submitted to the New Mexico Oil Conservation Division ("Division") on March 15, 2002 (*application reference No. pKRV0-207457116*); (ii) the Division's initial response by letter from Mr. Michael E. Stogner, Engineer/Chief Hearing Officer in Santa Fe dated March 19, 2002; (iii) your amended application filed with the Division on March 27, 2002; and (iv) the records of the Division: all concerning your request for an exception to Rule 4 of the "*Special Rules and Regulations for the South Empire-Wolfcamp Pool*," as promulgated by Division Order No. R-4784, as amended, for its existing Geronimo "36" State Well No. 1 (API No. 30-015-31185), recently completed at an unorthodox oil well location 1060 feet from the North line and 1980 feet from the West line (Unit C) of Section 36, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico.

The N/2 NW/4 of Section 36 is to be dedicated to this well in order to form a standard 80-acre lay-down oil spacing and proration unit for the South Empire-Wolfcamp Pool (22430).

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case 12119 on August 12, 1999.

It is understood that the N/2 and the N/2 S/2 of Section 36 is a single state lease issued by the New Mexico State Land Office (State Lease No. X-00647) in which Dominion Oklahoma Texas Exploration, Inc. is the leasehold operator and all mineral interest is common; therefore, there are no adversely effected offsets to the subject 80-acre tract.

By the authority granted me under the provision Rule 5 of these special pool rules and Division Rule 104.F (2), the above-described unorthodox Wolfcamp oil well location is hereby approved.

Further, the aforementioned well and spacing unit will be subject to all existing rules,

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regulations, policies, and procedures applicable to this pool.

Sincerely,

A handwritten signature in cursive script, reading "Lori Wrotenbery". The signature is written in dark ink and is positioned below the word "Sincerely,".

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia /
New Mexico State Land Office - Santa Fe