

30-015-25015

Grid - 2936
Prop - 2258
Pool - 76400

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for a Costa Resources Inc. well to be located at a point 1600 feet from the South line and 660 feet from the East line of Section 2, Township 18 South, Range 28 East, NMPM, to test the Morrow formation, Eddy County, New Mexico.

(2) That the S/2 of said Section 2 shall be dedicated to the above-described well.

(3) That said well is hereby assigned a Production Limitation Factor of 0.54 in the Morrow formation.

(4) That said well is hereby assigned a minimum allowable of 800,000 cubic feet per day.

(5) That in the absence of any Special Rules and Regulations prorating gas production in said Undesignated Morrow Gas Pool, the special rules hereinafter promulgated shall apply.

(6) That the following Special Rules and Regulations for a non-prorated gas well at an unorthodox location shall apply to the subject well:

Case # 8204
R-7666

10-7-85
CN - LD
2987-11,057
DLH - M - SFL
2987-11,059

