

- (7) These agreements will ensure the proper production and conservation of oil and gas from the Grayburg-Jackson Pool in the subject area, and will ensure that the parties' correlative rights are protected;
- (8) This application has been duly filed under the provisions of Division Rule 104.F, as revised; and
- (9) Approval of this application is in the best interest of conservation, will serve to prevent waste, protects correlative rights, exhibits sound engineering practices, and should allow for the recovery of additional reserves that might not otherwise be produced.

It Is Therefore Ordered That:

(1) By the authority granted me under the provisions of Division Rule 104 F (2), Wiser Oil Company (AWiser) and W. A. & E. R. Hudson, Inc. ("Hudson"), as operator of its respective waterflood project, are hereby authorized to drill the following described five wells at unorthodox oil well locations to the Grayburg-Jackson Pool in Sections 23, 24, and 26, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico:

Well Name and Number	API Number	Footage Location	Unit	Section	Dedicated 40-Acre Tract
<i>Wiser's Lea "D" Well No. 24</i>	<i>N/A</i>	<i>10' FN & EL</i>	<i>A</i>	<i>26</i>	<i>NE/4 NE/4</i>
<i>Wiser's Lea "D" Well No. 26</i>	<i>N/A</i>	<i>2630' FNL & 10' FEL</i>	<i>H</i>	<i>26</i>	<i>SE/4 NE/4</i>
<i>Wiser's Skelly Unit Well No. 403</i>	<i>30-015-31069</i>	<i>1330' FSL & 20' FEL</i>	<i>I</i>	<i>23</i>	<i>NE/4 SE/4</i>
<i>Hudson's Puckett "A" WH Well No. 1</i>	<i>30-015-31081</i>	<i>2630' FSL - 10' FWL</i>	<i>L</i>	<i>24</i>	<i>NW/4 SW/4</i>
<i>Hudson's Puckett "A" WH Well No. 2</i>	<i>30-015-31082</i>	<i>1330' FNL & 10' FWL</i>	<i>E</i>	<i>24</i>	<i>SW/4 NW/4</i>

(2) The subject wells shall be governed by all applicable provisions of Division Rules 702 through 706 and the rules and procedures governing the: (i) Skelly Grayburg-Jackson Lea "D" Waterflood Project, established by Division Order No. R-3952; (ii) Grayburg-Jackson Skelly Unit Waterflood Project, established by Division Order No. R-2900, as amended by Division Orders No. R-3214 and R-4419; and (iii) Puckett "A/B" Lease Waterflood Project, established by Division Order No. R-2239.

- (3) Jurisdiction of this matter shall be further retained for the entry of any such subsequent