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IT IS THEREFORE ORDERED: Case 6458 2-14-29 O.S.M. order R-5942 3-16-29

(1) That an unorthodox gas well location is hereby approved for the Cotton Petroleum Corporation Federal 24 Well No. 1 to be located at a point 660 feet from the South line and 660 feet from the East line of Section 24, Township 21 South, Range 23 East, NMPM, Indian Basin-Upper Pennsylvanian Pool, Eddy County, New Mexico.

30-015-22929

(2) That all of said Section 24 shall be dedicated to the above-described well.

IT IS THEREFORE ORDERED: (1) That all mineral interests, whatever they may be, in the Pennsylvanian formation underlying all of Section 24,

Township 21 South, Range 23 East, NMPM, Indian Basin-Upper Pennsylvanian Pool, Eddy County, New Mexico, are hereby pooled to form a standard 640-acre gas spacing and proration unit to be dedicated to a well applicant proposes to drill at a point 660 feet from the South line and 660 feet from the East line of said Section 24.

PROVIDED HOWEVER, that the operator of said unit shall commence the drilling of said well on or before the first day of June, 1979, and shall thereafter continue the drilling of said well with due diligence to a depth sufficient to test the Pennsylvanian formation;

PROVIDED FURTHER, that in the event said operator does not commence the drilling of said well on or before the first day of June, 1979, Order (1) of this order shall be null and void and of no effect whatsoever, unless said operator obtains a time extension from the Division for good cause shown.

PROVIDED FURTHER, that should said well not be drilled to completion, or abandonment, within 120 days after commencement thereof, said operator shall appear before the Division Director and show cause why Order (1) of this order should not be rescinded.

(2) That Cotton Petroleum Corporation is hereby designated the operator of the subject well and unit.

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