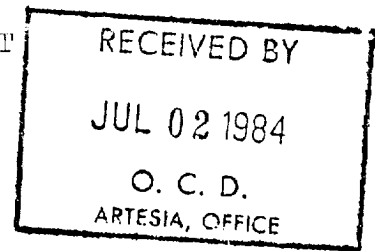


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 8237
Order No. R-7583

APPLICATION OF TXO PRODUCTION
CORPORATION FOR COMPULSORY
POOLING, DIRECTIONAL DRILLING,
AND AN UNORTHODOX LOCATION, ✓
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on June 20, 1984, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 28th day of June, 1984, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, TXO Production Corporation, seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the N/2 of Section 30, Township 21 South, Range 27 East, NMPM, Burton Flat-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled directionally from a surface location 660 feet from the South line and 560 feet from the East line of Section 19, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico.

(3) That the applicant further seeks authority to directionally drill said proposed well, surface location as described above, and drill in a southerly direction from a kick-off point at approximately 4300 feet, intersecting the top of the Wolfcamp formation at an unorthodox location within 25 feet of a point 130 feet from the North line and