

Agnd - 14021
 Prop - 6409
 Pool - 33685

9-2-88
 Comp. Neutron Litho Logging
 0-9813
 dual Interolog micro-SFL
 6997-9816
 Corehole comp. Sonic
 6997-9804
 Cement bond - Gemma ray
 2000-9697

Tstg - 2217887 - 0



11/2/88
 13688

IT IS THEREFORE ORDERED THAT: DD-17 (SNSL) (NSP) 1-6-88

(1) The applicant, Marathon Oil Company, is hereby authorized to directionally drill its Indian Hills Unit Well No. 6 from an unorthodox surface location 560 feet from the South line and 1550 feet from the West line of Section 20, Township 21 South, Range 24 East, NMPM, Indian Basin-Morrow Gas Pool, Eddy County, New Mexico by kicking off from the vertical at a depth of approximately 4900 feet, and drilling in such a manner as to penetrate said pool within 50 feet of a point 1650 feet from the South and West lines of said Section 20.

PROVIDED HOWEVER THAT, prior to the above-described directional drilling, the applicant shall establish the location of the kick-off point by conducting a continuous multi-shot directional drilling survey of the well.

PROVIDED FURTHER THAT, the subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to the kick-off point with shot points not more than 100 feet apart; that the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, P.O. Box 2088, Santa Fe, New Mexico, 87504-2088, and the operator shall notify the Division's Artesia District Office of the date and time said survey is to be commenced.

(2) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(3) All of said Section 20 to be dedicated to the well forming a non-standard 631.58 acre gas spacing and proration unit for said pool which is developed on 640 acre spacing.