

Case No. 9720
Order No. R-8928-A
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(10) No offset operator objected to the proposed directional drilling and unorthodox bottomhole location.

(11) Approval of such application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Pennsylvanian formation, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(12) The applicant should be required to determine the subsurface location of the kick-off point in the wellbore prior to directional drilling and should subsequently be required to conduct an accurate wellbore survey during or upon completion of drilling operations from the kick-off point to total depth to determine its true depth and course.

(13) The applicant should be required to notify the supervisor of the Artesia district office of the Division of the date and time said directional surveys are to be conducted so that they may be witnessed. The applicant should further be required to provide a copy of said directional surveys to the Santa Fe and Artesia offices of the Division upon completion.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Steve Sell, is hereby authorized to plug back its Shafer Federal Com Well No. 1 to a depth of approximately 3900 feet, kick-off at this point in an east-southeasterly direction and continue drilling to a new unorthodox bottomhole well location, within the Pennsylvanian formation and a true vertical depth of approximately 7780 feet, within a radius of 200 feet of a point 900 feet from the South line and 2500 feet from the East line (Unit O) of said Section 35.

PROVIDED HOWEVER THAT, prior to commencing directional drilling operations into said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.