

IT IS THEREFORE ORDERED THAT:

(1) The subject application of Presidio Exploration, Inc. for an exception to Division General Rule 104.C(2) to allow for the simultaneous dedication of the existing 321.20-acre gas spacing and proration unit within the East Burton Flat-Strawn Gas Pool, comprising Lots 1 through 4, and the S/2 N/2 (N/2 equivalent) of Section 1, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, to both its Superior Federal Well No. 9 located at a standard gas well location 1830 feet from the North line and 1980 feet from the East line (Unit G) of said Section 1 and to its Superior Federal Well No. 10 to be drilled at an unorthodox gas well location 1300 feet from the North and West lines (Unit D) of said Section 1, is hereby granted conditional approval;

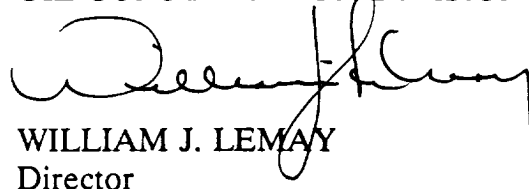
WHEREBY the applicant is permitted to produce Strawn gas from both wells alternately (one well shut-in while the other produces). Said production/shut-in cycle period for both wells may be established by the Division Director after administrative request by the applicant; however, such period shall not be for less than one month.

(2) The applicant's request to continuously and concurrently produce East Burton Flat-Strawn Gas Pool production in the N/2 equivalent of said Section 1 from both of said wells is hereby *denied*.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

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