



BRUCE KING  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

July 23, 1991

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

G.P. II Energy, Inc.  
P.O. Box 50682  
Midland, Texas 79710

Attention: Joe L. Compton

*Administrative Order DD-62(NSBHL)*

Dear Mr. Compton:

Under the provisions of General Rule 111 (c), (d) and (e), G.P. II Energy, Inc. made application to the New Mexico Oil Conservation Division on July 10, 1991, for authorization to directionally drill its proposed Coyote Federal Well No. 1, Eddy County, New Mexico.

The Division Director Finds That:

- (1) The application has been duly filed under the provisions of Rule 111(d) and (e) and 104. F. III of the Division General Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 and 104. F. I have either been or will be met; and
- (4) No objections have been received within the waiting period prescribed by said rules.

**IT IS THEREFORE ORDERED THAT:**

- (1) The applicant, G.P. II Energy, Inc., is hereby authorized to directionally drill its Coyote Federal Well No. 1, the surface location of which shall be 935 feet from the South line and 1443 feet from the West line (Unit N) of Section 27, Township 26 South,