



NEW MEXICO ENERGY, MINERALS and
NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

May 2, 2001

Conoco, Inc.
10 Desta Center - Suite 100 W
Midland, Texas 79705-4500
Attention: Kay Maddox

Administrative Order NSL-4582

Dear Ms. Maddox:

Reference is made to the following: (i) your application dated April 6, 2001; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Conoco, Inc.'s ("Conoco") request for a non-standard gas well location within the Undesignated Warren-Seven Rivers Gas Pool for the existing Warren Unit Well No. 132 (API No. 30-025-33485), located 2180 feet from the South line and 2200 feet from the West line (Unit K) of Section 28, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is our understanding that the Warren Unit Well No. 132 was initially drilled by Conoco, Inc. in 1996 to a total depth of 4,650 feet and completed in the Warren San Andres Pool at a standard oil well location within a standard 40-acre oil spacing and proration unit comprising the NE/4 SW/4 (Unit K) of Section 28.

It is further understood that this well is to be plugged back and recompleted up-hole into the Undesignated Warren-Seven Rivers Gas Pool upon issuance of this order; however, pursuant to Rule 104.C (3) this location is now considered to be unorthodox.

The SW/4 of Section 28, being a standard 160-acre gas spacing and proration unit for this shallow gas pool, is to be dedicated to this well.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox Seven Rivers gas well location is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad