STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

January 19, 1989

Mobil Exp & Prod. U.S., Inc. P.O. Box 5444
Denver, CO 80217-5444

Attention: B. R. Maynard

ADMINISTRATIVE ORDER NSL-2616

Dear Mr. Maynard:

Reference is made to your application of November 28, 1988 for an unorthodox well location for your proposed Federal Browning "33" Well No. 1 to be drilled 2000 feet from the South line and 1640 feet from the East line (Unit J) of Section 33, Township 24 North, Range 1 West, NMPM, to test the Dakota formation and the West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico. In reviewing the subject application it was found that although the Dakota zone in this well would be within the Basin Dakota Pool boundaries, it is the contention of the Aztec District Office of the New Mexico Oil Conservation Division that a Dakota completion in this area would be a wildcat oil well. In either instance, said well location would be considered unorthodox. Therefore, by authority granted me under each of the following provision, the above-described unorthodox location is hereby approved:

- Rule 2(c) of the Special Rules and Regulations for the Basin-Dakota Pool, as promulgated by Division Order No. R-8170, as amended;
- General Rule 104.F.I as it applies to unorthodox wildcat oil wells; and,
- Rule 5 of the Special Rules and Regulations for the West Puerto-Chiquito Mancos Oil Pool, as promulgated by Division Order No. R-6469-B, as amended.

Further, if said well is successfully completed as a Basin-Dakota gas well, the E/2 of said Section 33 shall be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool; if successfully completed as a wildcat Dakota oil well, the NW/4 SE/4 shall be dedicated to the well forming a standard 40-acre oil spacing and proration unit for said formation. Also, if said well is successfully completed in the West Puerto Chiquito-Mancos Oil Pool, all of said Section 33 shall be dedicated to the well forming a standard 640-acre oil spacing and proration unit for said pool.

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Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec

NM Oil & Gas Engineering Committee - Hobbs US Bureau of Land Management - Farmington

Vic Lyon