



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

January 29, 2008

Yates Petroleum Corporation  
Attn: Mr. W. "Lucky" Briggs  
105 South Fourth St  
Artesia, NM 88210-2118

**Administrative Order NSL-5774**

**Re: Roomba BKM Well No. 1  
Unit P, Section 17-10S-26E  
Chaves County**

Dear Mr. Briggs:

Reference is made to the following:

(a) your application (**administrative application reference No. pKVR08-00456141**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on January 4, 2007, and

(b) the Division's records pertinent to this request.

Yates Petroleum Corporation (Yates) has requested to drill the above-referenced well at an unorthodox gas well location, 500 feet from the South line and 430 feet from the East line (Unit P) of Section 17, Township 10 South, Range 26 East, N.M.P.M., in Chaves County, New Mexico.

The S/2 of Section 17 will be dedicated to this well in order to form standard 320-acre gas spacing units in the undesignated Foor Ranch-Prepermian Gas Pool (76730) and the undesignated Foor Ranch-Wolfcamp Gas Pool (76750). These pools are governed by statewide Rule 104.B(2), which provides for 320-acre units, with wells located at least 660 feet from a unit outer boundary. This location is less than 330 feet from the southern and eastern unit boundaries.

The SE/4 of Section 17 will be dedicated to this well in order to form a standard 160-acre gas spacing unit in the Pecos Slope-Abo Gas Pool (82730).

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).

It is our understanding that you are seeking this location for geologic reasons, because your geologic interpretation indicates that the proposed location is the place where an economic well can most likely be drilled.

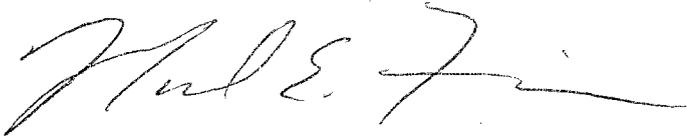
It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 1210.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 104.F(2), the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 40.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark E. Fesmire, P.E.  
Director

MEF/db

cc: New Mexico Oil Conservation Division - Artesia  
New Mexico State Land Office - Santa Fe  
United States Bureau of Land Management - Roswell