



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**  
Cabinet Secretary

January 9, 2004

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**Murchison Oil & Gas, Inc.**  
1100 Mira Vista Blvd.  
Plano, Texas 75093-4698

Telefax No. (972) 931-0701

Attention: **Michael S. Daugherty**

*Administrative Order NSL-4980 (BHL)*

Dear Mr. Daugherty:

Reference is made to the following: (i) your application dated December 4, 2003 (*administrative application reference No. pMES0-400637536*); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Murchison Oil & Gas, Inc.'s ("Murchison") request for an unorthodox subsurface deep Morrow gas well location for the existing Nash Unit Well No. 53 (**API No. 30-015-32548**), located at the surface 1663 feet from the South line and 2185 feet from the West line (Unit H) of Section 12, Township 23 South, Range 29 East, NMPM, Undesignated Nash Draw-Morrow Gas Pool (**81600**), Eddy County, New Mexico.

Under the provisions of Division Rules 111.A (7) and 111.C (1), Murchison received authorization to directionally drill the Nash Unit Well No. 53 to the Undesignated Nash Draw-Morrow Gas Pool in such a manner that the resulting subsurface location, 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 12, would be "standard" for a deep gas well within a standard 320-acre lay-down gas spacing unit comprising the N/2 of Section 12.

It is the Division's understanding that the actual subsurface location of this wellbore at total depth, 14,368 (MD), is approximately 2051 feet from the North line 674 feet from the East line (Unit H) of Section 12, which pursuant to Division Rules 104.C (3) and 111.A (13) is considered to be "unorthodox" within this 320-acre unit.

This application has been duly filed under the provisions of Division Rules 104.F and 111.C (2).

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox deep subsurface Morrow gas well location within the 320-acre unit comprising the N/2 of Section 12 for the Nash Unit Well No. 53, is hereby approved.

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

Sincerely,

Lori Wrotenbery  
Director

LW/mes

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