

Case No. 9670
Order No. R-8917-A
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PROVIDED FURTHER THAT, during or upon completion of directional drilling operations, the applicant shall conduct a multi-shot directional survey from the kick-off point to total depth in order that the subsurface bottomhole location may be determined.

(2) The applicant shall notify the supervisor of the Artesia district office of the Division of the date and time said directional surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said directional surveys to the Santa Fe and Artesia offices of the Division upon completion.

(3) the E/2 W/2 of Section 9 shall be dedicated to the above-described well forming a previously authorized (R-8917) 160-acre non-standard oil spacing and proration unit for said pool.

(4) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(5) The depth bracket allowable for the well shall be penalized by using the following formula, based on that portion of the total completion interval which is closest to the eastern boundary of the unit.

- a. a penalty (P_1) based on the proportion of distance the actual location is moved toward the boundary from the standard location;
- b. a penalty (P_2) based on the proportion of distance the actual location is moved toward the nearest well from the minimum distance under the pool rules; and
- c. the product of $(1-P_1) \times (1-P_2)$.

(6) Upon the successful directional drilling and completion of the subject well, Division Order No. R-8917, issued in Case No. 9617 and dated April 19, 1989, shall be placed in abeyance until further notice.

IT IS FURTHER ORDERED, HOWEVER, THAT:

(7) If in the event re-entry into the Honolulu Federal Well No. 1 is unsuccessful, said Division Order No. R-8917 shall remain in full force and effect and, at that time, the order in the immediate case (R-8917-A) shall become void and of no further effect.

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