STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEAKING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING: RECEIVED DEC 31 1997

CAMPBELL, CARR, M. N.

Case No. 11891 Order No. R-10934

APPLICATION OF COBRA OIL & GAS CORPORATION FOR A UNIT AGREEMENT AND AN UNORTHODOX OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 18, 1997, at Santa Fe. New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>______</u> day of December, 1997 the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises.

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Cobra Oil & Gas Corporation ("Cobra"), seeks approval of its Henard Unit Agreement and Area for all oil and gas in any and all formations underlying the following described 90 acres, more or less, of fee lands in Lea County. New Mexico:

TOWNSHIP 11 SOUTH, BANGE 37 EAST, NMPM

Section 23:	SW/4 SE/4
Section 26:	NW/4 NE/4.

(3) Cobra seeks to drill its initial test well to a depth sufficient to test the Undesignated Gladiola-Devonian Pool within the proposed Henard Unit at an unorthodox oil well location 250 feet from the North line and 2300 feet from the East line (Unit B) of said Section 26. The NW/4 NE/4 (Unit B) of said Section 26 is to be dedicated to said