

CASE NO. 10-62  
Order No. R-9382  
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IT IS THEREFORE ORDERED THAT

(1) The application of Petroleum Development Corporation for a short radius horizontal directional drainhole pilot project in the SE 1/4 NW 1/4 of Section 6, Township 8 South, Range 31 East, NMPM, Cato-San Andres Pool, Chaves County, New Mexico, is hereby approved.

(2) The applicant is further authorized to horizontally drill the existing JFG Enterprise Wattam Federal Well No. 3 located 1980 feet from the North and West lines (Unit F) of said Section 6 in the following manner:

Kick off from vertical at a depth of approximately 3631 feet and commence a short radius curve in a southeasterly direction building angle to approximately 75-85 degrees, commence drilling horizontally at a depth of approximately 3672 feet a distance of approximately 275 feet and bottoming said wellbore at a location no closer than 330 feet from the outer boundary of the proposed proration unit.

PROVIDED HOWEVER THAT the horizontal portion of the subject well shall be located no closer than 330 feet from the outer boundary of the project area.

(3) The Division Director shall be authorized to administratively approve the drilling of additional drainhole(s) originating from the subject well provided that:

- a) Application showing proposed drilling details, direction, extent and terminus of such additional drainhole(s) is filed with the Santa Fe office of the Division;
- b) A copy of such application is furnished to all offset operators;
- c) No objections from offset operators are received within 20 days after the Division has received the application.