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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10512
ORDER NO. R-9755

**APPLICATION OF PHILLIPS PETROLEUM
COMPANY FOR DIRECTIONAL DRILLING AND
THREE UNORTHODOX OIL WELL LOCATIONS,
LEA COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on August 6 and September 3, 1992, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 4th day of November, 1992 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, Phillips Petroleum Company, seeks an exception to Rule 4 of the Special Rules and Regulations for the Four Lakes-Pennsylvanian Pool, as promulgated by Division Order No. R-2326, for three unorthodox oil well locations (one which will be directionally drilled to an unorthodox bottom-hole location) all within its South Four Lakes Unit Area in Lea County, New Mexico:

Well No. 12 to be drilled 1250 feet from the South line and 2450 feet from the West line (Unit N) of Section 35, Township 11 South, Range 34 East, NMPM, the 80 acres comprising the E/2 SW/4 is to be dedicated to said well;