

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

January 22, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Ricks Exploration, Inc. c/o James Bruce P. O. Box 1056 Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151

Administrative Order NSL-4688

Dear Mr. Bruce:

Reference is made to the following: (i) your application (application reference No. pKRV0-201827825) dated January 17, 2002 on behalf of the operator Ricks Exploration, Inc. ("Ricks"); and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning Pogo's request to drill its Burrus Well No. 4 at an unorthodox Wolfcamp oil well location 2310 feet from the South line and 1210 feet from the East line (Unit I) of Section 22, Township 12 South, Range 38 East, NMPM, Lea County, New Mexico.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox oil well location will be at a more favorable geologic position within the potentially productive interval of the Undesignated Trinity-Wolfcamp Pool (59890) than a well drilled at a location considered to be standard within the proposed standard 40-acre oil spacing and proration unit comprising the NE/4 SE/4 of Section 22.

It is further understood that the E/2 SW/4 and the SE/4 of Section 22 is a single fee lease in which Ricks is the leasehold operator.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs

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