



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

July 22, 1994

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STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

AnSon Gas Corporation
3814 North Santa Fe
Oklahoma City, OK 73118

Attention: Charles E. Lundeen

Administrative Order DD-97

Dear Mr Lundeen:

Under the provisions of General Rule 111 (c), (d) and (e), AnSon Gas Corporation made application to the New Mexico Oil Conservation Division on July 7, 1994, for authorization to directionally drill its proposed Anderson 33 Well No. 1, Lea County, New Mexico.

The Division Director Finds That:

- (1) The application has been duly filed under the provisions of Rule 111(d) and (e) of the Division General Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, AnSon Gas Corporation, is hereby authorized to directionally drill its Anderson 33 Well No. 1, the surface location of which shall be 2520 feet from the South line and 2310 feet from the East line (Unit J) of Section 33, Township 16 South, Range 38 East, NMPM, Lea County, New Mexico, by drilling in such a manner as to bottom in the Strawn formation within 50 feet of a point 2310 feet from the North line and 2310 feet from the East line (Unit G) of Section 33, being a standard oil well location for said formation.

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PROVIDED HOWEVER THAT prior to commencing directional drilling operations into said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

PROVIDED HOWEVER THAT during or upon completion of directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

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

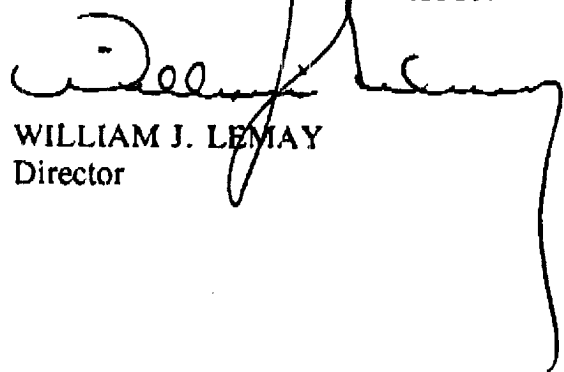
(3) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(4) The SW/4 NE/4 of said Section 33 shall be dedicated to the well forming a standard 40-acre oil spacing and proration unit for the subject pool.

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

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

SEAL

WJL/AMG

cc: Oil Conservation Division - Hobbs