



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

May 6, 1993

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Dusty Mac Resources, Inc.
c/o Bascom L. Mitchell
550 West Texas - Suite 1303
Midland, TX 79701

Administrative Order DD-80(NSBHL)

Dear Mr. Mitchell:

Under the provisions of the Division's General Rules and Regulations concerning directional drilling [111 (c), (d) and (e)], and for unorthodox gas well locations (104.F), Bascom L. Mitchell and Red Rogers Operating Corporation, on behalf of the operator Dusty Mac Resources, Inc., made application to the New Mexico Oil Conservation Division on April 19, 1993, for authorization to sidetrack, recompleat and directionally drill its Madera Federal "25" Well No. 1, Lea County, New Mexico.

The Division Director Finds That:

- (1) Tom Brown, Inc. originally drilled the subject well, located at a standard gas well location 1980 feet from the South and East lines (Unit J) of Section 25, Township 26 South, Range 34 East, NMPM, Lea County, New Mexico, during the first quarter of 1987 to a depth of 22,500 feet in order to test the Ellenburger formation. Being unsuccessful in finding commercial production in either the Ellenburger and Fusselman sections, the well was plugged back to test a couple of Pennsylvanian intervals. After encountering mechanical problems, of unspecified nature, which prevented successful completions in the Pennsylvanian interval, the well was shut-in.
- (2) The application has been duly filed under the provisions of Rules 111(d) and (e) and 104.F(3) of the Division General Rules and Regulations;
- (3) Satisfactory information has been provided that all offset operators have been duly notified;