BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF ENRON OIL & GAS COMPANY FOR POOL CREATION AND DOWNHOLE COMMINGLING, EDDY COUNTY, NEW MEXICO.

1661 (

CASE NO. /// 8/

AMENDED APPLICATION

Comes now, ENRON OIL & GAS COMPANY, through its undersigned attorneys, hereby makes application to the New Mexico Oil Conservation Division for the creation of a new pool for the production of oil from the Wolfcamp formation and approval for downhole commingling of production from the Wolfcamp and Bone Spring formations in the James Ranch Unit Well No. 71, and in support thereof states:

1. Applicant seeks the creation of a new pool for the production of oil as the result of the completion of the James Ranch Unit Well No. 71, located 330 feet from the North line and 660 feet from the East line of Section 36, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico in the Wolfcamp formation.

2. The boundaries of the new pool should include the following acreage:

Township 22 South, Range 30 East, N.M.P.M.

Section 36: NE/4 NE/4

3. Applicant also seeks authority for downhole commingling of oil production from this new Wolfcamp Pool and the Bone Spring formation, Los Medanos-Bone Spring Pool in the wellbore of the James Ranch Unit Well No. 71.

4. Commingling oil production in this well not damage either reservoir and will result in the increased recovery of hydrocarbons.

5. Granting this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Enron Oil & Gas Company requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on January 5, 1995 and, after notice and hearing as required by law, the Division enter its order granting this application.

Respectfully submitted,

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

Bv:

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ATTORNEYS FOR ENRON OIL & GAS COMPANY

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