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. 11576 Order No. R-10635

APPLICATION OF PENWELL ENERGY INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on July 25, 1996, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 29th day of July, 1996, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises.

FINDS THAT:

The applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED THAT:

Case No. 11576 is hereby dismissed.

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

STATE OF NEW-MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMAY Director



CAMPBELL, CARR, BERGE 8 SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO
PAUL R. OWEN

JACK M. CAMPBELL OF COUNSEL 133

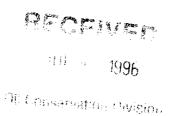
JEFFERSON PLACE
SUITE I - IID NORTH GUADALUPE
POST CFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208

TELECOPIER (505) 988-4421
TELECOPIER (505) 983-6043

July 23, 1996

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Oil Conservation Division Case No. 11576:

Application of Penwell Energy Inc. for Compulsory Pooling, Lea County,

New Mexico

Dear Mr. LeMay:

Penwell Energy Inc., respectfully requests that this matter which is currently set on the Division docket for the July 25, 1996 hearings be dismissed.

Your attention to this matter is appreciated.

Very truly yours,

WILLIAM F. CARR

WFC:mlh

cc: Mr. Mark Wheeler

Penwell Energy, Inc. 1100 ARCO Building 600 Marienfeld

Midland, TX 79701

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