

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. 11646
ORDER NO. R-10706

**APPLICATION OF PENWELL ENERGY, INC. FOR POOL EXPANSION AND THE
PROMULGATION OF SPECIAL POOL RULES THEREFOR, EDDY COUNTY,
NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 7, 1996, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 14th day of November, 1996 the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

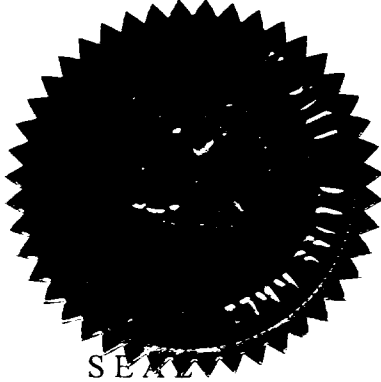
FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant in this matter, Penwell Energy, Inc., seeks the expansion of the horizontal limits of the Cedar Canyon-Bone Spring Pool to include the S/2 of Section 10, the SW/4 of Section 11, and the NW/4 of Section 14, all in Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico, and the adoption of special rules therefor including a provision for a limiting gas-oil ("GOR") ratio of 6,000 cubic feet of gas per barrel of oil.
- (3) Prior to the hearing, the applicant requested this matter be dismissed.
- (4) Dismissal of this case should therefore be granted.

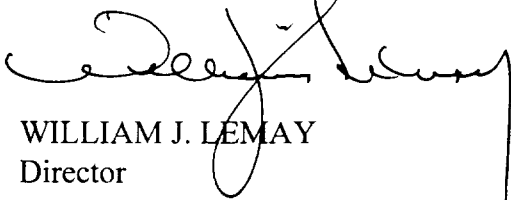
IT IS THEREFORE ORDERED THAT:

Case No. 11646 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