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. 11777 ORDER NO. R-10798

APPLICATION OF CHI ENERGY, INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 1, 1997 at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this ___7th_ day of May, 1977, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

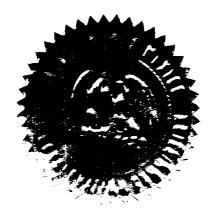
FINDS THAT:

- (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, Chi Energy, Inc., seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the E/2 of Section 16, Township 21 South, Range 29 East, NMPM, Eddy County, New Mexico, thereby forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard gas well location thereon.
 - (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. 11777 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