

CASE 11496 \_\_\_\_\_:

Application of Penwell Energy Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all formations developed on 320-acre spacing underlying the E/2, in all formations developed on 160-acre spacing in the NE/4, in all formations developed on 80-acre spacing in the S/2 NE/4 and in all formations developed on 40-acre spacing from the surface to the base of the Morrow formation in the SE/4 NE/4 of Section 32, Township 19 South, Range 29 East, Eddy County, New Mexico. Applicant proposes to dedicate this pooled unit to its Millman 32 State Com. No. 1 Well to be drilled at a standard location 1980 feet from the North line and 660 feet from the East line of said Section 32. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 15 miles northeast of Carlsbad, New Mexico.