

CASE 11854:

Application of Penwell Energy, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the E/2 for all formations developed on 320-acre spacing, the NE/4 for all formations developed on 160-acre spacing, the S/2 NE/4 for all formations developed on 80-acre spacing, and the SE/4 NE/4 for all formations developed on 40-acre spacing, all in Section 14, Township 21 South, Range 27 East, NMPM. Applicant proposes to dedicate this pooled unit to its Lonetree "14" State Com Well No. 1 to be drilled as a wildcat well at a standard location 1980 feet from the North line and 660 feet from the East line in Unit H of said Section 14 to test any and all formations to the base of the Morrow formation. Also to be considered will be the, designation of applicant as operator of the well. Said area is located approximately 7 miles Northeast of Carlsbad, New Mexico.

