

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. 11887  
ORDER NO. R-10992

APPLICATION OF SANTA FE ENERGY RESOURCES, INC. FOR COMPULSORY  
POOLING AND A NON-STANDARD GAS SPACING AND PRORATION UNIT,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on January 22 and on May 14, 1998,  
at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 28th day of May, 1998, 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, Santa Fe Resources, Inc., seeks an order pooling all mineral  
interests from the surface to the base of the Morrow formation underlying Lots 3, 4, 5, 6,  
11, 12, 13, and 14 of irregular Section 1, Township 21 South, Range 34 East, NMPM,  
Lea County, New Mexico, to form a standard 315.12-acre gas spacing and proration unit  
for any and all pools developed on 320-acre spacing within said vertical extent, which  
presently includes but is not necessarily limited to the Undesignated Osudo-Morrow Gas  
Pool, Undesignated West Osudo-Morrow Gas Pool, and the Undesignated Wilson-Morrow  
Gas Pool.

(3) Said unit is to be dedicated to the applicant's proposed Outland "1" State  
Well No. 1 (API No. 30-025-34169) to be drilled at a standard gas well location 3300 feet  
from the North line and 1650 feet from the West line (Lot 11/Unit K) of said irregular

Section 1.

- (4) Prior to the May 14, 1998 hearing, the applicant requested this matter be dismissed.
- (5) Dismissal of this case should therefore be granted.

**IT IS THEREFORE ORDERED THAT:**

Case No. 11887 is hereby dismissed.

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



STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Lori Wrotenbery*  
LORI WROTENBERY  
Director

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

SUITE B  
612 OLD SANTA FE TRAIL  
SANTA FE, NEW MEXICO 87501

(505) 982-2043  
(505) 982-2151 (FAX)

My 11, 1998

Via Fax

Michael E. Stogner  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505

Re: Case 11887 (Application of Santa Fe Energy Resources,  
Inc. for compulsory pooling, Lea County, New Mexico)

Dear Mr. Stogner:

Please dismiss the above case. Thank you.

Very truly yours,

James Bruce

Attorney for Santa Fe  
Energy Resources, Inc.

cc: W. Thomas Kellahin (via fax)  
William F. Carr (via fax)