

CASE 11950

Application of Enron Oil & Gas Company 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 Chester formation, or a depth of 11,800 feet, underlying Lots 1, 2, 3 and 4 and the E/2 W/2 (W/2 equivalent) of Section 31, Township 17 South, Range 30 East, in the following described manner: Lots 1, 2, 3, and 4 and the E/2 W/2 forming a 310.56-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing; Lots 3 and 4 and the E/2 SW/4 for any and all formations and/or pools developed on 160-acre spacing; Lot 4 and the SE/4 SW/4 for any and all formations and/or pools developed on 80-acre spacing, and Lot 4 for any and all formations and/or pools developed on 40-acre spacing. Applicant proposes to dedicate these pooled units to its Sand Tank "31" Fed. Com. Well No. 2 Well to be drilled at an unorthodox location 990 feet from the South line and 1200 feet from the West line of said Section 31. Said location was approved by Division Order No. NSL-3932 on January 14, 1998. Also to be considered will 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 _____ miles _____ of _____, New Mexico.

