



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

August 11, 1998

Manzano Oil Corporation  
Attention: Mike Brown  
P. O. Box 2107  
Roswell, New Mexico 88202-2107

*RE: Administrative application of Manzano Oil Corporation to the proposed Rio Negro Well No. 1 at an unorthodox gas well location 660' FS & WL (Unit M) of Section 23, Township 24 South, Range 26 East, NMPM, Undesignated White City-Pennsylvanian Gas Pool, Eddy County, New Mexico, in which all of said Section 23 is to be dedicated in order to form a standard 640-acre gas spacing and proration unit for said pool.*

Dear Mr. Brown:

On August 10, 1998 the Division received an objection from Wadi Petroleum, Inc. to the subject application, see copy of a letter attached.

This application will therefore be set for hearing before a Division Hearing Examiner on the next available docket scheduled for September 3, 1998. Please provide adequate notice pursuant to Rule 1207.A(5) of the Division's General Rules and Regulations.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 827-8185.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal line extending to the right.

Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/kv

cc: New Mexico Oil Conservation Division - Artesia  
Wadi Petroleum, Inc., c/o Mueller Engineering Corp. (Attn. Eduardo A. Riddle) -  
Corpus Christi, TX  
Kathy Valdes - OCD, Santa Fe