



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

October 19, 1998

Mewbourne Oil Company
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

RE: Administrative application of Mewbourne Oil Company to drill its Baldridge Canyon "11" State Com. Well No. 2 at an unorthodox Morrow gas well location 990' FNL & 1250' FEL (Unit A) of Section 11, Township 24 South, Range 24 East, NMPM, Eddy County, New Mexico, in which the E/2 of Section 11 is to be dedicated in order to form a standard 320-acre gas spacing and proration unit within the Baldridge Canyon-Morrow Gas Pool.

Dear Mr. Bruce:

On October 19, 1998 the Division received an objection from Pogo Producing Company 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 November 19, 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,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/kv

cc: New Mexico Oil Conservation Division - Artesia
Pogo Producing Company (Attn. Terry Gant) - Midland, Texas
Mewbourne Oil Company (Attn. Steve Cobb) - Midland, Texas
Kathy Valdes - OCD, Santa Fe