

JAMES BRUCE
Attorney at Law
Post Office Box 1056
Santa Fe, New Mexico 87504
Telephone: (505) 982-2043
Fax: (505) 982-2151

FAX COVER SHEET

DELIVER TO: Sally Martinez

COMPANY: Oil Conservation Division

CITY: Santa Fe, New Mexico

FAX NUMBER: 827-8177

NUMBER OF PAGES: 2 (Including Cover Sheet)

DATE SENT: 1/12/00

MEMO: Sally: Enclosed is a revised advertisement for the Manzano Oil Corporation pooling application. I have circled the provision which changed. Manzano will be seeking administrative approval for the unorthodox location.

CONFIDENTIALITY NOTICE

This transmission contains information which may be confidential and/or legally privileged. The information is intended only for the above-named recipient. If you are not the intended recipient, any copying or distribution of the information is prohibited. If you have received this transmission in error, please call us at the above number and return the document by United States mail. Thank you.

PROPOSED ADVERTISEMENT

Case 12234: Application of Manzano Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Strawn formation underlying Lots 12 and 13 of irregular Section 1, Township 16 South, Range 36 East, NMPM, to form a standard 80-acre oil spacing and proration unit for any formations and/or pools developed on 80 acre spacing within that vertical extent, including the Northeast Lovington-Pennsylvanian Pool. The unit is to be dedicated to applicant's Cayuma Well No. 1-A, located at an unorthodox oil well location 3580 feet from the south line and 990 feet from the west line (Unit M) of Section 1. Also to be considered will be the cost of re-entering, drilling, and completing the 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 the risk involved in drilling and completing the well. The unit is located approximately 2 miles northeast of Lovington, New Mexico.