

**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. 12630
ORDER NO. R-11592**

**APPLICATION OF OXY USA WTP LIMITED PARTNERSHIP FOR
COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on April 5, 2001, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 1st day of June, 2001, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) The applicant, Oxy USA WTP Limited Partnership ("Oxy"), in accordance with the procedure set forth by Division Rule 1207.A.(1)(b), seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W/2 of Section 21, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, thereby forming a standard 320-acre gas spacing and proration unit for the Empire-Pennsylvanian Gas Pool. This unit is to be dedicated to its Bug State Well No. 1 located at a standard gas well location in the SE/4 SW/4 of Section 21.

(3) Oxy appeared at the hearing through legal counsel and presented evidence to support its application.

(4) No other interest owner or interested party appeared at the hearing.

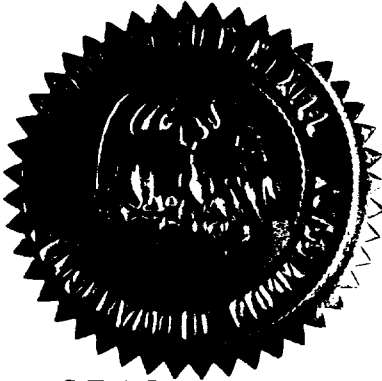
(5) Subsequent to the hearing by letter dated May 30, 2001, Oxy advised the Division that:

- (a) it has obtained all necessary approvals and ratifications from the record title owner of a certain State of New Mexico lease comprising the SW/4 of Section 21;
 - (b) the Commissioner of Public Lands for the State of New Mexico has approved the communitization agreement for the proposed spacing unit; and
 - (c) compulsory pooling is no longer necessary.
- (6) Oxy's request to dismiss Case No. 12630 should be granted.

IT IS THEREFORE ORDERED THAT:

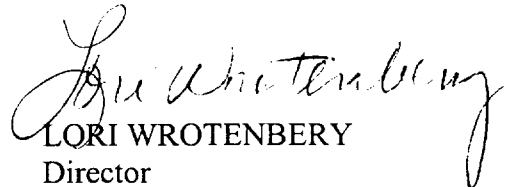
- (1) Pursuant to the request of Oxy USA WTP Limited Partnership, Case No. 12630 is hereby dismissed.

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



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY
Director