



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
BETTY RIVERA
Cabinet Secretary

September 18, 2002

Lori Wrotenbery
Director
Oil Conservation Division

Gruy Petroleum Management, Company
c/o **James Bruce**
P. O. Box 1056
Santa Fe, New Mexico 87504

Re: *Administrative application on behalf of the operator, Gruy Petroleum Management, Company, dated August 19, 2002 (application reference No. pKRV0-223248609) for an exception to Rule 4 of the "Special Rules and Regulations for the White City-Pennsylvanian Gas Pool", as promulgated by New Mexico Oil Conservation Division Order No. R-2429-A, as amended, for the Pennzoil Federal Com. Well No. 2 to be drilled at an unorthodox infill gas well location 760 feet from the North line and 660 feet from the East line (Unit A) of Section 15, Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico, within an existing standard 644.40-acre gas spacing and proration unit comprising all of Section 15.*

Dear Mr. Bruce:

As stated within the subject application, this particular well was the subject of Division Case No. 12873 heard June 27 and August 1, 2002, which has been taken under advisement by the Examiner and is currently pending a decision. Any further direct action taken on this application by the Division at this time would only serve to circumvent the present review process.

Therefore, your application for administrative approval for the above-described unorthodox infill gas well location is hereby dismissed without prejudice and is being returned to you with no further review or additional comment.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
Kathy Valdes, NMOCD - Santa Fe
File: Case No. 12873*

DATE 8/19/02	SUBMITTER 9/8/02	ENGINEER MS	LOGGED IN KW	TYPE NSL	APP NO. 223248609
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR
 [D] Other: Specify _____

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Oil Conservation Division

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce
Print or Type Name

James Bruce
Signature

Attorney for Applicant
Title

8/19/02
Date

JAMES BRUCE
P. O. BOX 1056
SANTA FE, NM 87504

jamesbruc@aol.com
e-mail Address