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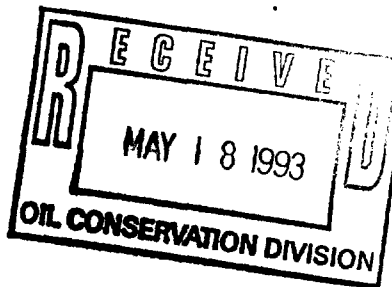
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*NOT LICENSED IN NEW MEXICO

May 18, 1993



Via Hand Delivery

Mr. David Catanach
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

Re: Case 10731 (Nearburg Producing Company)
Case 10732 (Condor Oil Corporation)
Case 10734 (Pogo Producing Company)
Case 10687 (Mewbourne Oil Company)
Case 10688 (Mewbourne Oil Company)

Dear Mr. Catanach:

Please continue the above cases to the June 3, 1993 hearing.
Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD
& HENSLEY

James Bruce

JB/bc

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. 10734
ORDER NO. R-9908

**APPLICATION OF POGO PRODUCING COMPANY FOR AN UNORTHODOX GAS
WELL LOCATION, EDDY COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on June 3, 1993, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 8th day of June, 1993, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Pogo Producing Company, seeks approval to drill its State V-492 Well No. 2 at one of two proposed unorthodox gas well locations: (a) 1980 feet from the South line and 1830 feet from the West line (Unit K) of Section 27; or (b) 1980 feet from the South line and 1360 feet from the West line (Unit L) of Section 27, in Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico. The S/2 of said Section 27 is to be dedicated to the well forming a standard 320-acre gas spacing and proration unit in the Salt Draw-Atoka Gas Pool and Undesignated Malaga-Morrow Gas Pool. Applicant further requests approval of the unorthodox location as to all prospective pools or formations including but not limited to the Wolfcamp, Strawn, Atoka and Morrow (Salt Draw-Atoka Gas Pool) spaced on 40, 160 or 320 acres.

(3) Prior to the hearing the Division issued Administrative Order NSL-3242 which authorized Pogo Producing Company to drill its V-492 Well No. 3 at an unorthodox gas well location 1980 feet from the South line and 1350 feet from the West

line (Unit K) of said Section 27, to test both the Salt Draw-Atoka Gas Pool and Undesignated Malaga-Morrow Gas Pool, said well to be dedicated to the S/2 of said Section 27 thereby forming a standard 320-acre gas spacing and proration unit for both pools.

(4) Further, the applicant has requested this case be dismissed.

(5) The applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED THAT:

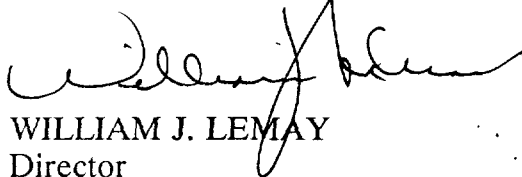
Case No. 10734 is hereby dismissed.

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



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director