

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. 10977*  
*ORDER NO. R-10135*

**APPLICATION OF SANTA FE ENERGY OPERATING PARTNERS, L.P. FOR AN  
UNORTHODOX GAS WELL LOCATION AND NON-STANDARD GAS PRORATION  
UNIT, EDDY COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on June 9, 1994, at Santa Fe, New Mexico, before Examiner Jim Morrow.

NOW, on this 23rd day of June, 1994, 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, Santa Fe Energy Operating Partners, L.P., seeks approval for an unorthodox gas well location to be drilled 660 feet from the North line and 1980 feet from the East line (Unit B) of Irregular Section 7, Township 22 South, Range 24 East, Indian Basin-Upper Pennsylvanian Gas Pool. The E/2 of said Section 7 is to be dedicated to said well forming a non-standard 320-acre gas spacing and proration unit for said pool.
- (3) At the time of the hearing this case was consolidated with Case No. 10986 for purpose of testimony.
- (4) At the hearing, the applicant's witness stated that Case No. 10977 should be dismissed if Section 7 is included in the expansion of the Indian Basin-Upper Pennsylvanian Associated Pool as requested in Case No. 10986.

(5) Since such expansion has been authorized by Division Order No. R-10137, the applicant's request for dismissal should be granted.

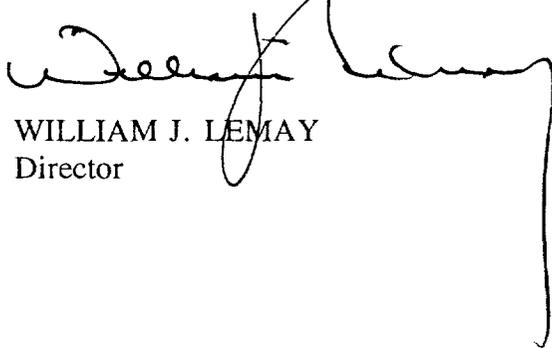
IT IS THEREFORE ORDERED THAT:

Case No. 10977 is hereby dismissed.

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



STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY  
Director