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. 12894 ORDER NO. R-11799

APPLICATION OF TEXAKOMA OIL & GAS CORPORATION FOR AN UNORTHODOX COAL GAS WELL LOCATION, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on July 11, 2002, at Aztec, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 16th day of July, 2002, the Division Director, having considered 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, Texakoma Oil & Gas Corporation ("Texakoma"), seeks approval to drill its proposed Texakoma - USA "23" Well No. 1 (**API No. 30-045-31110**) at an off-pattern non-standard coal gas well location 390 feet from the South line and 627 feet from the East line (Unit P) of Section 23, Township 32 North, Range 13 West, NMPM, San Juan County, New Mexico. The E/2 of Section 23, being a standard 320-acre stand-up gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool, is to be dedicated to this well.

(3) Texakoma originally filed this application with the Division on June 3, 2002, for administrative review pursuant to the provisions of: (i) Rule 8 of the "*SpecialRules and Regulations for the Basin-Fruitland Coal Gas Pool.*" as promulgated by Division Order No. R-8768, as amended; (ii) Division Rule 104.F; and (iii) Rule 1207.A (2).

(4) An objection filed by Pure Resources, L.P. ("Pure") on June 17, 2002, caused

this application to be set for hearing.

(5) On July 4, 2002, Pure withdrew its objection. This case was then remanded to the Division's administrative process.

(6) By Administrative Order NSL-4756, dated July 5, 2002, the Division approved the subject application, thereby making this case unnecessary.

(7) Furthermore, the applicant, prior to the hearing, requested this matter be dismissed.

(8) Dismissal of this case should therefore be granted.

IT IS THEREFORE ORDERED THAT:

Case No. 12894 is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

LORI WROTENBERY Director

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