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. 11221 ORDER NO. R- 10331

APPLICATION OF HALLWOOD PETROLEUM, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

<u>BY THE DIVISION</u>:

This cause came on for hearing at 8:15 a.m. on March 16, 1995, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>20th</u> day of March, 1995, 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, Hallwood Petroleum, Inc., seeks an order pooling all mineral interests from the surface to the base of the Fruitland formation underlying Lots 1 through 4 and the S/2 N/2 (N/2 equivalent) of Section 1, Township 31 North, Range 13 West, NMPM, San Juan County, New Mexico, thereby forming a standard 319.20-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Basin-Fruitland Coal (Gas) Pool. Said unit is to be dedicated to a well to be drilled and completed at a standard coal gas well location in the NE/4 equivalent of said Section 1.

(3) Prior to the hearing, the applicant requested this matter be dismissed.

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

IT IS THEREFORE ORDERED THAT:

Case No. 11221 is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

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WILLIAM J. LEMAY Director

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