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. 11524 ORDER NO. R-10606

APPLICATION OF ARCO PERMIAN, A UNIT OF ATLANTIC RICHFIELD, FOR COMPULSORY POOLING AND 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 May 30, 1996, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>3rd</u> day of June, 1996, 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, ARCO Permian, a unit of Atlantic Richfield, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W/2 of Section 23, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico, thereby forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent. Said unit is to be dedicated to the applicant's proposed Dinah "23" Federal Com. Well No. 1 to be drilled at an unorthodox gas well location 1077 feet from the South line and 660 feet from the west line (Unit M) of said Section 23.
 - (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. 11524 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

SEAL