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. 11975 ORDER NO. R-11041

APPLICATION OF SABA ENERGY OF TEXAS, INCORPORATED FOR SPECIAL POOL RULES, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on June 11, 1998, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 26th day of August, 1998, 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 the its matter thereof
- (2) By Order No. R-1118, dated January 28, 1958 and made effective February 1, 1958, the Division created and defined the Tatum-Wolfcamp Pool for the production of oil from the Wolfcamp formation. The horizontal limits for this pool, as currently designated, comprise the following described acreage in Lea County, New Mexico:

TOWNSHIP 12 SOUTH, RANGE 36 EAST, NMPM

Section 32:

SW/4

TOWNSHIP 13 SOUTH, RANGE 36 EAST, NMPM

Section 5:

N/2

Section 6:

E/2

Section 7:

NE/4.

(3) By Division Order No. R-1492, issued in Case 1756 and dated September 30, 1959, special rules and regulations were adopted for the Tatum-Wolfcamp Pool, which included provisions for 80-acre spacing and proration units (see **RULE 2**) and designated well location requirements where each well completed in the pool is to be within 150 feet of the center of either the NW/4 or SW/4 of the quarter section (see **RULE 3**).

- (4) By application dated April 21, 1998, Saba Energy of Texas, Incorporated requested the Division adopt special rules and regulations for the Tatum-Wolfcamp Pool, as described above, including provisions for 80-acre spacing and well location requirements so that wells can be no closer than 330 feet to the boundary of a governmental quarter section.
 - (5) Prior to the hearing, the applicant requested this matter be dismissed.
 - (6) Dismissal of this case should therefore be granted.

IT IS THEREFORE ORDERED THAT:

Case No. 11975 is hereby dismissed.

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

S E A L

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

LORI WROTENBERY

Director