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. 12189 ORDER NO. R-11198

APPLICATION OF BTA OIL PRODUCERS FOR AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on May 27, 1999, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this And day of June, 1999, 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, BTA Oil Producers ("BTA"), seeks approval to drill its Grama "C" 8817 JV-P Well No. 1 at an unorthodox Morrow gas well location 660 feet from the South and West lines (Unit M) of Section 16, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. The S/2 of Section 16 is to be dedicated to the well in order to form a standard 320-acre lay-down gas spacing and proration unit within the Undesignated Quail Ridge-Morrow Gas Pool.

(3) BTA originally filed this application with the Division on April 16, 1999 for administrative review pursuant to the provisions of Division Rule 104.F.

(4) An objection filed by Santa Fe Energy Resources, Inc. ("Santa Fe") caused this application to be set for hearing.

(5) Subsequent to the hearing, Santa Fe withdrew its objection. This case was then remanded to the Division's administrative process.

(6) By Administrative Order NSL-4287, dated May 24, 1999, the Division approved the subject application, thereby making this case unnecessary.

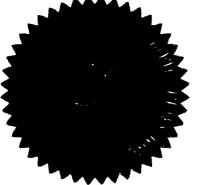
(7) Furthermore, the applicant, prior to the hearing, requested this matter be dismissed.

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

IT IS THEREFORE ORDERED THAT:

Case No. 12189 is hereby dismissed.

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



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STATE OF NEW MEXICO OIL CONSERVATION DIVISION

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