

**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. 12742
ORDER NO. R-11688-A**

**APPLICATION OF ELAND ENERGY, INC. FOR COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on October 18, 2001, at Santa Fe, New Mexico, before Examiner David K. Brooks.

NOW, on this 28th day of November, 2001, the Division Director, having considered the testimony, 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 of the subject matter.
- (2) On November 16, 2001, the Division Director issued Order No. R-11688, granting the Application for Compulsory Pooling in this case, pursuant to findings and upon terms and conditions therein stated.
- (3) Due to a clerical error, certain findings and ordering provisions of the Division were incorrectly stated in Order No. R-11688.
- (4) Order No. R-11688 should be corrected, *nunc pro tunc*, to read as intended.
- (5) On November 27, 2001, the Applicant, by letter of counsel to the Division, indicated that the location of the proposed well would need to be changed, due to topographic considerations, from that set forth in the Application and in Order No. R-11688.

(6) The precise location of the well, so long as it is located at a standard gas well location within the Unit, is not material to any of the findings or ordering provisions of Order No. R-11688.

IT IS THEREFORE ORDERED THAT:

(1) Finding (3) of Order No. R-11688 is hereby amended to read: "The above-described unit (the Unit) is to be dedicated to Applicant's proposed Federal 1X Well No. 3, to be drilled at a standard gas well location within the SW/4 SW/4 (Unit M) of Section 3."

(2) The final grammatical paragraph of Ordering Paragraph (1) of Order No. R-11688 is hereby amended to read: "The Unit shall be dedicated to Applicant's Federal 1X Well No. 3 to be drilled at a standard gas well location within the SW/4 SW/4 (Unit M) of Section 3."

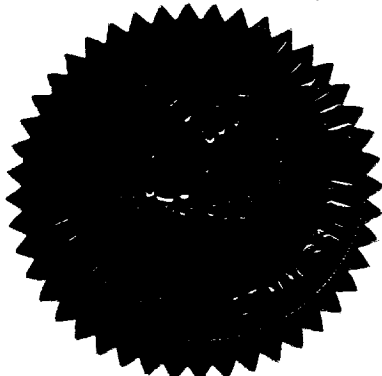
(3) Ordering Paragraph (2) of Order No. R-11688 is hereby amended to read: "The operator of the Unit shall commence drilling the proposed well on or before February 28, 2002, and shall thereafter continue drilling the well with due diligence to test the Ordovician formation."

(4) This Order shall be effective as of November 16, 2001.

(5) In all other respects, except as hereby amended, Order No. R-11688 shall remain in full force and effect.

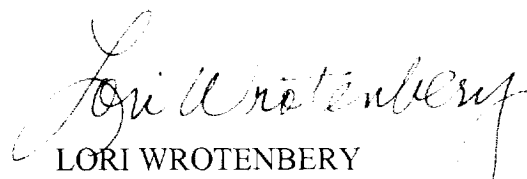
(5) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

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