

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. 10505
ORDER NO. R-9699*

**APPLICATION OF UNITED GAS SEARCH, INC.
FOR A CREDIT FOR ENHANCED OIL RECOVERY,
LEA COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on July 9, 1992, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 17th day of July, 1992 the Division Director, having considered the testimony, 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) United Gas Search, Inc., through the Ratheal Companies of Garland, Texas, made application by letter dated June 5, 1992 seeking a tax credit for enhanced oil recovery covering the following leases in Lea County, New Mexico:

Glenn-Ryan (Leonard Federal) Lease comprising all of Section 11 and the S/2 of Section 14, Township 26 South, Range 37 East, NMPM, save and except as to depths below 3600 feet subsurface in the SE/4 SE/4 of said Section 11 and as to the depths between the surface and 3600 feet subsurface in the SW/4 SW/4 of said Section 14;

Glenn-Ryan (Leonard Brothers) Lease comprising all of Section 13 and the N/2 of Section 14, Township 26 South, Range 37 East, NMPM, save and except as to the Queen formation in the SE/4 SW/4 of said Section 13; and the

Leonard Brothers "A" Lease comprising the N/2 N/2, SE/4 NW/4, and the SW/4 NE/4 of Section 23, Township 26 South, Range 37 East, NMPM, save and except as to the Queen formation in the NE/4 NE/4 of said Section 23.

(3) At the time of the hearing, this matter was called; however, no appearance was made by the applicant or a representative.

(4) The Division has no record on file of the applicant requesting a continuance of this matter to a later hearing date.

(5) Currently no rules and procedures have been adopted by the Division for processing applications filed pursuant to the Enhanced Oil Recovery Act (Laws of 1992, Chapter 38) providing for the qualifications of projects and the certification for the "Recovered Oil Tax Rate" (see Oil Conservation Commission Case No. 10492).

(6) Case No. 10505 should therefore be dismissed.

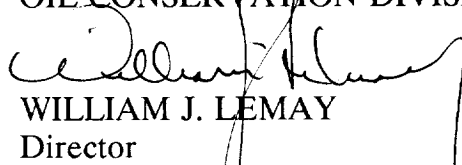
IT IS THEREFORE ORDERED THAT:

(1) Case No. 10505 is hereby dismissed.

(2) Jurisdiction of this cause 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.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

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