Entered april 30, 1750

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 6826 Order No. R-6306

APPLICATION OF TAHOE OIL AND CATTLE COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 26, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>30th</u> day of April, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Tahoe Oil and Cattle Company, seeks an order pooling all mineral interests in the Penrose Skelly Pool underlying the SE/4 SE/4 of Section 25, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant has the right to re-enter and rework its Bromlee Well No. 1 at a standard location in said quarter-quarter section.

(4) That there are interest owners in the proposed proration unit who have not agreed to pool their interests.

(5) That the applicant was not able to present substantial evidence that bona fide attempts had been made to obtain voluntary agreement to pool the interests within the proposed proration unit. -2-Case No. 6826 Order No. R-6306

(6) That absent such substantial evidence in this case the application is premature and should be <u>denied</u>.

IT IS THEREFORE ORDERED:

(1) That the application of Tahoe Oil and Cattle Company for an order pooling all mineral interests in the Penrose Skelly Pool underlying the SE/4 SE/4 of Section 25, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby <u>denied</u>.

(2) That jurisdiction of this cause is hereby 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 LANU JOE D. RAMEY Director

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