



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

December 20, 1994

BRUCE KING
GOVERNOR

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

Campbell, Carr, Berge & Sheridan, P. A.
Attn: Tanya Trujillo
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

Re: Application of Maralo, Inc. for
Compulsory Pooling, Eddy County, New
Mexico.

Dear Ms. Trujillo:

Reference is made to our telephone conversation yesterday, Monday, December 19, 1994 and to your letter of application dated November 14, 1994 on behalf of Maralo, Inc. for an order pooling all mineral interests from the surface to the base of the Bone Spring formation, underlying the SW/4 SE/4 of Section 30, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico, thereby forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit to be dedicated to its proposed Gold Rush "30" Federal Com Well No. 2 to be drilled at a standard oil well location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 30.

Said application requested this matter be consolidated with Division Case No. 11048, which is an application of Bass Enterprises Production Company to pool all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 equivalent of said Section 30, thereby forming a standard 320-acre, more or less, gas spacing and proration unit to be dedicated to a well to be drilled at a standard gas well location in Unit "K", to be heard *De Novo* before the New Mexico Oil Conservation Commission during their January hearing. In preparing the required advertisement for this case it was found to have no relevance with said *De Novo* case. The subject Maralo application will therefore be set for hearing before a Division Examiner on the next available docket scheduled for January 19, 1995.

Should you have any further questions or comments concerning this matter, please contact me at (505) 827-8185. Thank you.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: William J. LeMay, Director - OCD (Santa Fe)
W. Thomas Kellahin - Santa Fe

~~File in Case 11048~~