

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. 10987
ORDER NO. R-10136

**APPLICATION OF SANTA FE ENERGY OPERATING PARTNERS, L.P. FOR AN
UNORTHODOX GAS WELL LOCATION AND NON-STANDARD GAS PRORATION
UNIT, EDDY COUNTY, NEW MEXICO**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on June 9, 1994, at Santa Fe, New Mexico, before Examiner Jim Morrow.

NOW, on this 23rd day of June, 1994, the Division Director, having considered 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) The applicant, Santa Fe Energy Operating Partners, L.P., seeks approval for an unorthodox gas well location to be drilled 660 feet from the South line and 1950 feet from the West line (Unit N) of Section 4, Township 22 South, Range 24 East, Indian Basin-Upper Pennsylvanian Gas Pool. The S/2 of said Section 4 is to be dedicated to said well forming a non-standard 320-acre gas spacing and proration unit for said pool.

(3) At the time of the hearing this case was consolidated with Case No. 10986 for purpose of testimony.

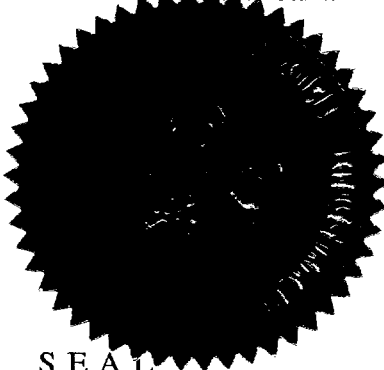
(4) At the hearing, the applicant's witness stated that Case No. 10987 should be dismissed if Section 4 is included in the expansion of the Indian Basin-Upper Pennsylvanian Associated Pool as requested in Case No. 10986.

(5) Since such expansion has been authorized by Division Order No. R-10137, the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED THAT:

Case No. 10987 is hereby dismissed.

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



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director