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. 15154 Order No. R-13857-A

APPLICATION OF ENCANA OIL & GAS (USA) INC. FOR APPROVAL OF THE PINON UNIT, CREATION OF A NEW POOL FOR HORIZONTAL DEVELOPMENT WITHIN THE UNIT AREA, AND FOR ALLOWANCE OF 330-FOOT SETBACKS FROM THE EXTERIOR OF THE PROPOSED UNIT, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION Nunc Pro Tunc

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on May 29, 2014, at Santa Fe, New Mexico, before Examiner Scott Dawson and legal counsel Gabriel Wade.

On July 3, 2014, the Division Director, having considered the testimony, the record and the recommendations of the Examiners issued Order No. R-13857.

NOW, on this 18th day of November, 2014, the Division Director, having considered the October 23, 2014 Motion to Amend Order No. R-13857, issues this Order No. R-13857-A so that it correctly reflects the unitized interval of the Pinon Federal/State/Allotted Indian Exploratory Unit.

<u>IT IS THEREFORE ORDERED THAT:</u>

(1) Order No. R-13857, issued in Case No. 15154, is hereby amended by substituting in place of Ordering Paragraph (7) with the following:

(7) This Unitized Interval for this oil pool within the Pinon Federal/State/Allotted Indian Exploratory Unit shall extend vertically in all formations from 100 feet below the stratigraphic equivalent of the top of the Mancos Shale (base of Mesa Verde Group), to the base of the Greenhorn Limestone Formation as shown on the Type Log of the Rodeo Rosie Well No. 1 (API No. 30-045-25398). The vertical limits of the final approved Pinon Federal/State/Allotted Indian Exploratory Unit shall be as described above.

(2) The provisions of Order No. R-13857 are still in full force and effect.

(3) 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.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JAMI BAILEY Director

SEAL