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

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

APPLICATION OF POGO PRODUCING COMPANY FOR APPROVAL OF A PILOT PRESSURE MAINTENANCE PROJECT AND TO QUALIFY THE PROJECT FOR THE RECOVERED OIL TAX RATE PURSUANT TO THE ENHANCED OIL RECOVERY ACT, EDDY COUNTY, NEW MEXICO.

REOPENED CASE NO. 12223 ORDER NO. R-11246-A

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on August 5, 1999 at Santa Fe, New Mexico before Examiner David R. Catanach, and on January 6, 2000 at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 1st day of May, 2001, the Division Director, having reviewed the record.

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.

(2) The applicant, Pogo Producing Company ("Pogo"), seeks authority to institute a pilot pressure maintenance project within an area encompassing 320 acres and comprised of four Federal leases, described below, by the injection of water into the West Sand Dunes-Delaware Pool through its Pure Gold "B" Federal Well No. 20 located 1260 feet from the South line and 250 feet from the East line (Unit P) of Section 20, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico:

Federal Lease Name & Number Pure Gold "B" Federal (NM 38463) Pure Gold "A" Federal (NM 38464) Pure Gold "D" Federal (NM 40859) Lease Description SE/4 of Section 20 W/2 SW/4 of Section 21 NW/4 NW/4 of Section 28

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