

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

**APPLICATION OF MANZANO OIL
CORPORATION FOR COMPULSORY
POOLING AND AN UNORTHODOX OIL
WELL LOCATION, LEA COUNTY, NEW
MEXICO.**

**CASE NO. 11616
ORDER NO. R-10708-A**

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the New Mexico Oil Conservation Division ("Division") that Order No. R-10708, issued in Case No. 11616 and dated November 14, 1996, does not correctly state the intended order of the Division.

IT IS THEREFORE ORDERED THAT:

(1) Finding Paragraph No. (2) on pages 1 and 2 of said Order No. R-10708, be and the same, is hereby amended to read in its entirety as follows:

" (2) The applicant, Manzano Oil Corporation, seeks an order pooling all mineral interests from the surface to the base of the Strawn formation, underlying the following described acreage in Section 11, Township 16 South, Range 36 East, NMPM, Lea County, New Mexico, and in the following manner:

(a) the S/2 NE/4 to form a standard 80-acre oil spacing and proration unit for any and all pools developed on 80-acre spacing within said vertical extent, which presently includes only the Undesignated Northeast Lovington-Pennsylvanian Pool; and,

(b) the SW/4 NE/4 to form 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, which presently includes but is not necessarily limited to the Undesignated Northeast

Lovington-Wolfcamp Pool."

(2) Decretory Paragraph No. (1) on pages 4 and 5 of said Order No. R-10708, be and the same, is hereby amended to read in its entirety as follows:

" (1) All mineral interests, whatever they may be, from the surface to the base of the Strawn formation, underlying the following described acreage in Section 11, Township 16 South, Range 36 East, NMPM, Lea County, New Mexico, are hereby pooled in the following manner:

(a) the S/2 NE/4 to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, which presently includes only the Undesignated Northeast Lovington-Pennsylvanian Pool; and,

(b) the SW/4 NE/4 to form 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, which presently includes but is not necessarily limited to the Undesignated Northeast Lovington-Wolfcamp Pool.

Said units are to be dedicated to its proposed "SV" Double Eagle Well No. 1 (**API No. 30-025-33636**) to be drilled at an unorthodox oil well location 1500 feet from the North line and 2148 feet from the East line (Unit G) of said Section 11.

PROVIDED HOWEVER THAT, the operator shall commence the drilling of said well on or before the fifteenth day of February, 1997, and shall thereafter continue the drilling of said well with due diligence to a depth sufficient to test the Strawn formation.

PROVIDED FURTHER THAT, in the event said operator does not commence the drilling of said well on or before the fifteenth day of February, 1997, Decretory Paragraph No. (1) of this order shall be null and void and of no effect whatsoever, unless said operator obtains a time extension from the

Division for good cause shown.

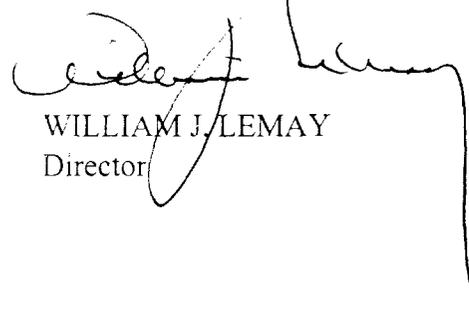
PROVIDED FURTHER THAT, should said well not be drilled to completion, or abandonment, within 120 days after commencement thereof, said operator shall appear before the Division Director and show cause why Decretory Paragraph No. (1) of this order should not be rescinded."

(3) The corrections set forth in this order be entered nunc pro tunc as of November 14, 1996.

DONE at Santa Fe, New Mexico, on this 17th day of January, 1997.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director