

CASE 11940

Application of Manzano Oil Corporation for compulsory pooling and an unorthodox well location, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described area in Section 4, Township 22 South, Range 27 East in the following manner: the S/2 for all formations developed on 320-acre spacing which presently includes but is not necessarily limited to the South Carlsbad-Morrow Gas Pool and the Undesignated South Carlsbad-Strawn Pool, the SE/4 for all formations developed on 160-acre spacing; the E/2 SE/4 for all formations developed on 80-acre spacing; and the SE/4 SE/4 for all formations developed on 40-acre spacing which presently includes but is not limited to the Esperanza-Delaware Pool. Applicant proposes to dedicate these pooled units to its Esperanza Well No. 1 to be drilled at an unorthodox location 660 feet from the South line and 990 feet from the East line of said Section 4. Also to be considered will the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 2 miles southeast of Carlsbad, New Mexico.

