

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. 12035
ORDER NO. R-11052

**APPLICATION OF CONCHO RESOURCES INC. FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on September 3, 1998 at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 4th day of September, 1998, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

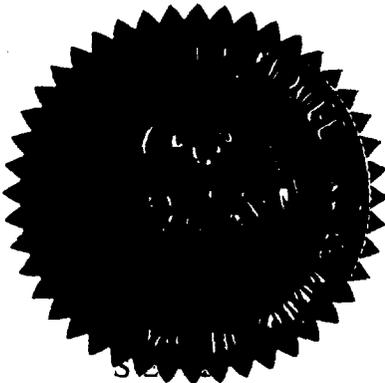
- (1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.
- (2) The applicant, Concho Resources Inc., seeks an order pooling all mineral interests from the surface to the base of the Atoka formation underlying the S/2 of Section 10, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, thereby forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, which presently includes but is not necessarily limited to the Undesignated Shoe Bar-Atoka Gas Pool and the Undesignated South Shoe Bar-Atoka Gas Pool.
- (3) This standard 320-acre gas spacing and proration unit is to be dedicated to its proposed South Shoe Bar "10" State Com. Well No. 1 to be drilled at a standard gas well location in Unit "N" of Section 10.
- (4) Prior to the September 3, 1998 hearing, the applicant requested this matter be dismissed.

(5) Dismissal of this case should therefore be granted.

IT IS THEREFORE ORDERED THAT:

Case No. 12035 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery
LORI WROTENBERY
Director