NMOCD FORCED POOLING HEARING JUNE 17, 1993

ENRON OIL & GAS COMPANY SILVERTON '31'' FEDERAL NO. 1

AFE DHC - \$266,300

AFE CWC - \$528,000

RisksNearest commercial Delaware production is over two miles northwest.Have non-commercial Delaware within 0.7 miles northwest.Must spend \$ CWC before knowing commerciality.High chance of non-commercial oil producer.

Conclusion 200% payout penalty is reasonable and justified.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Case No. <u>10740</u> Exhibit No. <u>10</u>

Submitted by: Enron Oil & Gas Company

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Hearing Date: June 17, 1993