



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



BRUCE KING
GOVERNOR

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May 6, 1994

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Kellahin & Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504-2265

Attention: W. Thomas Kellahin

Case 11000

RE: *Application on behalf of Matador Petroleum Corporation for an order pooling the N/2 equivalent of Section 19, Township 20 South, Range 27 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre, more or less, gas spacing and proration unit for all formations and/or pools from the top of the Wolfcamp formation to the base of the Morrow formation.*

Dear Mr. Kellahin:

Reference is made to the subject application dated May 2, 1994, I did not include this filing on the May 26th hearing docket due to a disparity in the request and with certain factors that exist within the vertical limits to be pooled.

Currently the McMillan-Morrow Gas Pool encompasses all of Section 19, Township 20 South, Range 27 East, NMPM, Eddy County, New Mexico. The Special Rules and Regulations governing said pool, as promulgated by Division Order Nos. R-2817, R-2917-A, R-2917-B, and R-5829, provides for 640-acre spacing. Further, all of said Section 19 in the McMillan-Morrow Gas Pool appears to be currently dedicated to the Hunt Oil Company State "1-19" Com Well No. 1 (API No. 30-015-20160), located 1650 feet from the North and West lines (Unit F) of said Section 19.

Your application included the Morrow formation in which the existing Morrow gas producing well is a part; however, your application did not address what is to be done with this interval and acreage dedication. Therefore I am returning this application at this time, should you wish to resubmit it for a later hearing, please amend the application to clarify this matter. Thank you for your assistance, consideration, and cooperation in this matter.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: William J. LeMay, Director - OCD, Santa Fe
Rand Carroll - OCD, Santa Fe