

Case No. 11982
 Order No. R-11046
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(3) Within the proposed cooperative leasehold pressure maintenance project area that encompasses the two above-described Federal leases there is undeveloped Delaware acreage that Pogo has requested not be made a part of the initial pressure maintenance project. Therefore, this initial cooperative leasehold pressure maintenance project area, for allowable and tax credit purposes, is to be reduced to the following described 360 acres, more or less, in Lea County, New Mexico:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 26: W/2 NW/4 and NW/4 SW/4

Section 27: NE/4 and N/2 SE/4.

(4) All of Sections 26 and 27 are within the horizontal limits of the West Red Tank-Delaware Pool, which is currently governed by the Division's General Rules with development on 40-acre spacing units each having a top unit depth bracket allowable of 230 barrels of oil per day and a gas/oil ratio of 2,000 cubic feet of gas per barrel of oil, which results in a casinghead gas allowable of 460 MCF per day.

(5) There are currently eight West Red Tank-Delaware producing oil wells that will be initially affected by the proposed injection well, all of which are located in Township 22 South, Range 32 East, NMPM, Lea County, New Mexico:

Well Name and Number	Footage Location (Unit)	Section	API Number
Red Tank "26" Federal Well No. 2	330' FNL & 660' FWL (D)	26	30-025-32462
Red Tank "26" Federal Well No. 3	1980' FNL & 330' FWL (E)	26	30-025-32463
Red Tank "26" Federal Well No. 4	2310' FSL & 330' FWL (L)	26	30-025-32386
Prize Federal Well No. 3	1980' FSL & 660' FEL (I)	27	30-025-32143
Prize Federal Well No. 5	660' FN & EL (A)	27	30-025-32437
Prize Federal Well No. 6	990' FNL & 2310' FEL (B)	27	30-025-32656
Prize Federal Well No. 7	2310' FNL & 1980' FEL (G)	27	30-025-32657
Prize Federal Well No. 8	1980' FS & EL (J)	27	30-025-32685

(6) At the time of the hearing Pogo presented geological evidence which shows that:

(a) the Delaware reservoir in this area trends northeast-southwest, with the lower