

(10) Further evidence presented by the applicant indicated that the Kelton Operating Corporation Lineberry Well No. 2 (API No. 30-025-23239), located 1980 feet from the South and East lines (Unit J) of Section 11, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, was the initial well in the Cline-Tubb Pool producing from the perforated interval from 5995 feet to 6179 feet. The Cline-Tubb interval was plugged in October 1992 and was recompleted to the Blinbry formation in November 1993. The applicant's Sarah "B" Well No. 2 (API No. 30-025-32052), located 2310 feet from the South line and 1803 feet from the West line (Unit K) of Section 12, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, has a producing GOR in the Cline-Tubb Pool of 92,818 to one.

(11) The evidence presented supports the reclassification of the Cline-Tubb Pool from an "oil pool" to an "associated pool" at this time. Further, said evidence indicates that this pool may be efficiently and economically developed by oil wells on 40-acre spacing and by gas wells on 160-acre spacing.

(12) The application for pool reclassification and to adopt the "General Rules and Regulations for Associated Oil and Gas Pools in Northwest and Southeast New Mexico", as promulgated by Division Order No. R-5353, as amended, as the governing procedures for said pool and to include provisions for 40-acre oil and 160-acre gas spacing and proration units should be approved for a temporary period of two years to permit operators in the subject pool to gather additional reservoir and production information. Therefore this case should be reopened at an examiner hearing in May, 1996, at which time the operators in the subject pool should be prepared to appear and show cause why said pool should not be classified as an oil pool with standard 40-acre spacing, with perhaps a higher assigned GOR limit.

(13) With the above-described reclassification secured, Samedan further requests approval for the following two non-standard 80-acre gas spacing and proration units:

- (a) the E/2 NW/4 of said Section 12, to be dedicated to its Sharp Well No. 1 (API No. 30-025-32258), located at a standard gas well location 1980 feet from the North and West lines (Unit F) of said Section 12; and,
- (b) the E/2 SW/4 of said Section 12, to be dedicated to its Sarah "B" Well No. 2, as further described in Paragraph (10) above, which will be an unorthodox gas well location pursuant to the "Associated Pool Rules".