

(14) Samedan has obtained a permit to drill its Branex Federal Well No. 1 (API No. 30-025-32319) at a location that is 2310 feet from the South line and 660 feet from the West line (Unit L) of said Section 12. Should this well be an oil well in the subject pool upon its completion, the location is considered to be standard for the standard 40-acre oil spacing and proration unit comprising the NE/4 SW/4 of said Section 12; however, should this well be classified a gas well, the location will be considered unorthodox for the resulting non-standard 80-acre gas spacing and proration unit, being the W/2 SW/4 of said Section 12, caused by the proposed 80-acre tract for the Sarah "B" Well No. 2.

(15) *The applicant's final request in this application is that any order issued in this matter be applied retroactively to the date of first production from said Sarah "B" Well No. 2, which according to the testimony presented at the hearing was sometime around September 1, 1993.*

**FINDING:** The applicant failed to adequately support its reasoning as to the necessity of making these rules apply retroactive to the date of first production on the Sarah "B" Well No. 2. Since inadequate testimony was presented showing that such approval would serve to prevent waste, protect correlative rights, and is in the best interest of conservation, such retroactive request is hereby denied.

**HOWEVER:** A starting date of April 1, 1994, being the first day of the first month after the hearing in this matter, would not be unreasonable.

(16) At the time of the hearing no other operators of wells in this pool or surrounding area, nor did any interested party appear at the hearing in opposition to this application.

(17) Considering that oil and gas production will remain to be prorated under the "Associated Pool Rules" the formation of the three aforementioned 80-acre non-standard proration units and the assignment of an appropriate acreage factor in these instances will assure the protection of correlative rights. Further, approval of this application is in the best interest of conservation and should serve to prevent waste.

**IT IS THEREFORE ORDERED THAT:**

(1) Effective April 1, 1994, the Cline-Tubb Pool in Lea County, New Mexico, is hereby reclassified as an associated pool and redesignated the "Cline-Tubb Associated Pool".