

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

**IN THE MATTER OF APPLICATION OF
ARMSTRONG ENERGY CORPORATION FOR
SPECIAL POOL RULES AND REGULATIONS.
FOR THE REEVES; DEVONIAN POOL,
LEA COUNTY, NEW MEXICO**

**CASE NO.: 23393
ORDER NO.: R-23314**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through its Hearing Examiner on April 6, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Officer and Technical Examiner, issues the following Order.

FINDINGS OF FACT

1. Armstrong Energy Corporation (“Armstrong”) submitted an application (“Application”) to increase the Reeves; Devonian Pool (Pool code 51940) (“the Pool”) allowable to 800 barrels of oil per day for a standard 40-acre oil well.
2. Armstrong is the operator of the Rock Raccoon #1 (API 30-025-49594) a vertical well comprised of the NW/4 SE/4 of Section 24, Township 18 South, Range 35 East, Lea County, New Mexico (“Well”).
3. The initial well in the pool was the Nix C #1 (API 30-025-03114) which was completed in 1962 with a top perforation at 12,120 feet subsurface. Therefore, the Pool has a depth bracket allowable of 410 barrels of oil per day for a standard 40-acre oil spacing.
4. At the April 6, 2023, Hearing, Armstrong presented evidence by affidavit in support of its Application which was admitted to the record without objection.
5. The evidence shows that the Well was completed in July 14, 2022, and is capable of producing above the Pool’s current allowable without causing damage to the reservoir and without causing surface or underground waste.
6. The evidence furthermore shows that the increased allowable within the Pool will not result in decreased ultimate recovery.

CONCLUSIONS OF LAW

7. OCD has jurisdiction to issue this Order pursuant to NMSA 1978 § 70-2-16.
8. Armstrong is an operator in the Pool.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

ORDER

10. The Application to increase the Reeves; Devonian Pool (Pool code 51940) allowable to 800 barrels of oil per day for a standard 40-acre oil well is hereby approved.
11. Any other well or Operator seeking to utilize the increased allowable must file a written request with OCD via a sundry, upon approval of the sundry by OCD the Operator may utilize the increased allowable.
12. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



GERASIMOS RAZATOS
DIRECTOR (Acting)
GR/jag

Date: 8/28/2024