

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

IN THE MATTER OF CASE NO. 9270
BEING REOPENED PURSUANT TO THE
PROVISIONS OF DIVISION ORDER
NO. R-8586

CASE NO. 9270
ORDER NO. R-8586-A

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on January 18, 1989, at Santa Fe, New Mexico, before Examiner Victor T. Lyon.

NOW, on this 8th day of February, 1989, the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) Representatives of H.L. Brown, Jr., the only producer in the pool, appeared and presented evidence in support of continuing the temporary pool rules promulgated by Order No. R-8586 for the North Bluitt Siluro-Devonian Pool in Roosevelt County, New Mexico.

(3) The testimony showed three wells have been completed in the pool and that the AFI gravity is high and relatively volatile.

(4) Bottom hole pressures measured in two of the wells show pressure communication at a distance of 990 feet such that drainage of at least 90 acres is strongly indicated.

(5) The temporary pool rules promulgated by Order No. R-8586 will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, prevent reduced recovery which might result from the drilling of too few wells, and otherwise protect correlative rights, and therefore should be made permanent.

IT IS THEREFORE ORDERED THAT:

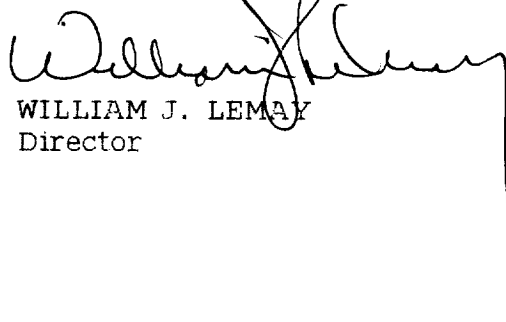
(1) The temporary pool rules promulgated by Order No. R-8586 for the North Bluitt Siluro-Devonian Pool, Roosevelt County, New Mexico, are hereby made permanent.

Case No. 9270
Order No. R-8586-A
Page No. 2

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L