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

NOMENCLATURE CASE NO. 12538 (Reopened) ORDER NO. R-11506-A

IN THE MATTER OF CASE NO. 12538 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-11506, WHICH ORDER ESTABLISHED TEMPORARY SPECIAL POOL RULES FOR THE NORTH TRINITY-DEVONIAN POOL IN LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on December 20, 2001, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>31st</u> day of December, 2001, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

- (1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.
- (2) By Order No. R-11506, entered in Case No. 12538 on December 14, 2000, the Division, upon the application of Ricks Exploration, Inc., created the North Trinity-Devonian Pool (**pool code: 97067**) for oil production from the Devonian formation and established temporary special pool rules, which include provisions for:
 - (i) standard 80-acre oil spacing and proration units; and
 - (ii) designated well location requirements such that each well is located within 150 feet of the center of a governmental quarter-quarter section or lot.
- (3) As initially established by Division Order No. R-11506, the boundary for the North Trinity-Devonian Pool currently comprises the following-described area in Lea County, New Mexico:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM Section 22: S/2 SE/4.

- (4) No operator, interested party, or mineral interest owner in the subject pool appeared at the time of the hearing to present evidence to support 80-acre spacing in the North Trinity-Devonian Pool or to defend the continuation of these special pool rules.
- (5) In the absence of such supporting testimony, the "*Temporary Special Pool Rules for the North Trinity-Devonian Pool*" should be <u>rescinded</u> and the pool should be governed by all applicable statewide rules for oil wells as promulgated by the "Rules and Regulations of the Oil Conservation Division."

IT IS THEREFORE ORDERED THAT:

- (1) The "Temporary Special Rules and Regulations for the North Trinity-Devonian Pool," as promulgated by Division Order No. R-11506 dated December 14, 2000, are hereby rescinded.
- (2) Any future or existing oil wells within the North Trinity-Devonian Pool shall have dedicated thereto 40 acres in accordance with Division Rule 104.B (1) and such unit shall be assigned the appropriate oil allowable in accordance with Division Rule 505.
- (3) Failure to file new Forms C-102 with the Division dedicating 40 acres to any existing well within 60 days from the date of this order shall subject the well to cancellation of allowable.
- (4) Jurisdiction is hereby 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

LORI WROTENBERY

Director

SEAL