STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 8030 Order No. R-7471-B

IN THE MATTER OF CASE 8030 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-7471, WHICH ORDER ESTABLISHED SPECIAL RULES AND REGULATIONS FOR THE RIO PUERCO-MANCOS OIL POOL, SANDOVAL COUNTY, NEW MEXICO, INCLUDING A PROVISION FOR 320-ACRE PRORATION UNITS.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 14, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this <u>2nd</u> day of June, 1986, 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) By Division Order No. R-7471, dated March 7, 1984, temporary special rules and regulations were promulgated for the Rio Puerco-Mancos Oil Pool, Sandoval County, New Mexico, establishing temporary 320-acre spacing and proration units.
- (3) By Division Order No. R-7471-A, dated May 22, 1985, Rule No. (3) of said temporary rules and regulations relating to the well location requirements for the Rio Puerco-Mancos Oil Pool was amended.
- (4) Pursuant to the provisions of Order No. R-7471, this case was reopened to allow the operators in the subject pool to appear and show cause why the Rio Puerco-Mancos Oil Pool should not be developed on 40-acre spacing units.
- (5) The evidence establishes that one well in the Rio Puerco-Mancos Oil Pool can efficiently and economically drain and develop 320 acres.

- (6) The Special Rules and Regulations promulgated by Order No. R-7471, as amended, have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil in the pool.
- (7) In order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-7471, as amended, should be continued in full force and effect until further order of the Division.

IT IS THEREFORE ORDERED THAT:

- (1) The Special Rules and Regulations governing the Rio Puerco-Mancos Oil Pool, Sandoval County, New Mexico, promulgated by Order No. R-7471, as amended, are hereby continued in full force and effect until further order of the Division.
- (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

R. L. STAMETS, Director

SEAL

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 8448 Order No. R-7471-A-1

APPLICATION OF GARY-WILLIAMS OIL PRODUCER, INC. FOR POOL EXPANSION, AMENDMENT OF DIVISION ORDER R-7471, AND TWELVE NON-STANDARD OIL PRORATION UNITS, SANDOVAL COUNTY, NEW MEXICO.

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the Division that Order No. R-7471-A dated May 22, 1985, does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED THAT:

- (1) Ordering Paragraph No. (2) on page 4 of said Order No. R-7471-A be and the same is hereby corrected to read in its entirety as follows:
 - "(2) RULE 3 of the Special Rules and Regulations for the Rio Puerco Mancos Oil Pool is hereby amended to read in its entirety as follows:
 - 'RULE 3. Each well shall be located no nearer than 660 feet to the outer boundary of the spacing or proration unit, nor nearer than 330 feet to a governmental quarter-quarter section line, nor nearer than 1800 feet to any other well completed or drilling within the pool.'"
- (2) The corrections set forth in this order be entered nunc pro tunc as of May 22, 1985.

DONE at Santa Fe, New Mexico, on this 31st day of May, 1985.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. STAMETS

Director