

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

CASE NO. 11041 (Reopened)
ORDER NO. R-10183-A

IN THE MATTER OF CASE 11041 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-10183, WHICH PROMULGATED TEMPORARY SPECIAL RULES AND REGULATIONS FOR THE DIAMOND-STRAWN POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on September 5, 1996, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 16th day of September, 1996 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-10183, dated August 26, 1994, temporary special rules and regulations were promulgated for the Diamond-Strawn Pool comprising the S/2 SW/4 of Section 15, Township 16 South, Range 36 East, NMPM, Lea County, New Mexico, establishing 80-acre spacing and proration units and designated well location requirements.

(3) Pursuant to the provisions of said Order No. R-10183, this case was reopened to allow the operators in said pool to appear and show cause why the temporary special rules and regulations should not be rescinded and to show cause why the subject pool should not be developed on other than 40-acre proration units.

(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 or to defend the continuation of said special pool rules.

(5) In the absence of such supporting testimony, the "*Temporary Special Pool Rules for the Diamond-Strawn Pool*" should therefore be rescinded and the pool should be governed by all applicable statewide rules for oil wells as promulgated by the "Rules and Regulations of the Oil Conservation Division."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for the Diamond-Strawn Pool*", as promulgated by Division Order No. R-10183, dated August 26, 1994, are hereby rescinded.

(2) Any future or existing oil wells within the Diamond-Strawn Pool, comprising the S/2 SW/4 of Section 15, Township 16 South, Range 36 East, NMPM, Lea County, New Mexico, shall have dedicated thereto 40 acres in accordance with General Rule 104.C(1).

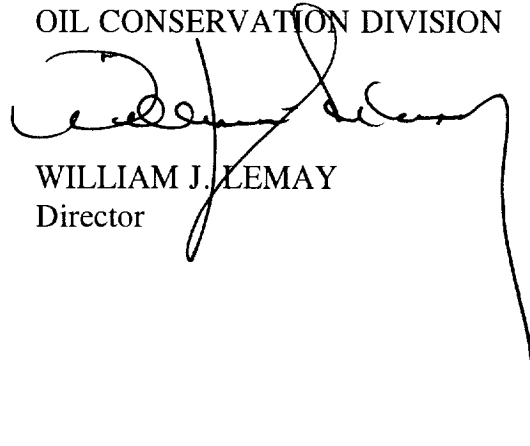
IT IS FURTHER ORDERED THAT:

Failure by the operator 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.

(3) 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

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