

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

**IN THE MATTER OF CASE NO. 11504 BEING REOPENED PURSUANT TO THE
PROVISIONS OF DIVISION ORDER NO. R-10597, WHICH PROMULGATED
TEMPORARY SPECIAL RULES AND REGULATIONS FOR THE VEST RANCH-
UPPER PENNSYLVANIAN POOL, CHAVES COUNTY, NEW MEXICO.**

*Case No.. 11504 (Reopened)
ORDER NO. R-10597-B*

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on May 28, 1998, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 3rd day of June, 1998 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-10597 dated May 10, 1996, the Division, upon application of Manzano Oil Corporation, created the Vest Ranch-Upper Pennsylvanian Pool, which currently comprises the SW/4 of Section 16 and the NW/4 of Section 21, both in Township 14 South, Range 30 East, NMPM, Chaves County, New Mexico. Order No. R-10597 also promulgated Temporary Special Rules and Regulations for the Vest Ranch-Upper Pennsylvanian Pool, including provisions for 80-acre spacing and proration units and designated well location requirements.
- (3) Pursuant to the provisions of said Order No. R-10597, this case was reopened to allow the operators in the Vest Ranch-Upper Pennsylvanian Pool to appear and show cause why the temporary special rules and regulations should remain in effect.
- (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 the special pool rules.
- (5) In the absence of supporting testimony, the Temporary Special Rules and Regulations for the Vest Ranch-Upper Pennsylvanian Pool should therefore be rescinded and the pool should be governed by Rule No. 104 of the Division General Rules and Regulations.

IT IS THEREFORE ORDERED THAT:

(1) The Temporary Special Rules and Regulations for the Vest Ranch-Upper Pennsylvanian Pool, as promulgated by Division Order No. R-10597 dated May 10, 1996, are hereby rescinded.

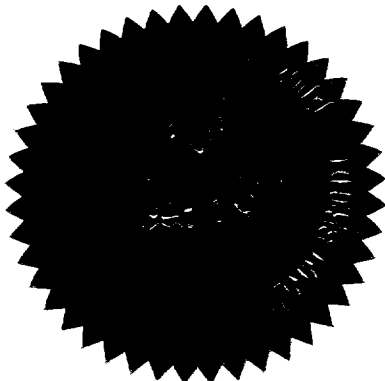
(2) Any future or existing oil wells within the Vest Ranch-Upper Pennsylvanian Pool shall have dedicated thereto 40 acres in accordance with Division General Rule No. 104.C.(1).

IT IS FURTHER ORDERED THAT:

(3) 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.

(4) 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.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery
LORI WROTENBERY
Director