

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**Reopened
CASE NO. 12003
Order No. R-11053-B**

**THE REOPENING OF CASE NO. 12003 PURSUANT TO THE PROVISIONS OF
OIL CONSERVATION COMMISSION ORDER NO. R-11053-A, WHICH
ORDER PROMULGATED TEMPORARY SPECIAL POOL RULES FOR THE
FEATHERSTONE-BONE SPRING POOL, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on January 20, 2000, at Santa Fe, New Mexico, before Examiner Mark W. Ashley.

NOW, on this 10th day of February, 2000, 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-11053, as amended, entered in Case No. 12003 on December 18, 1998, the Oil Conservation Commission, upon application of Manzano Oil Corporation, established temporary special pool rules for the Featherstone-Bone Spring Pool, Lea County, New Mexico, including:

- a) provisions for standard 80-acre oil spacing and proration units; and
- b) requirements that wells be located within 150 feet of the center of a governmental quarter section or lot.

(3) Pursuant to the provisions of Division Order No. R-11053, as amended, this case was reopened to allow the operators in the subject pool to appear and present evidence why the special pool rules for the Featherstone-Bone Spring Pool should not be rescinded.

(4) Manzano Oil Corporation, the only operator in the Featherstone-Bone Spring Pool, appeared at the hearing and presented evidence in this case to support the adoption of the special pool rules on a permanent basis.

(5) Division records and the evidence presented in this case demonstrate that:

- a) the Featherstone-Bone Spring Pool currently comprises the S/2 and the NW/4 of Section 16, the NE/4 of Section 17, the NE/4 of Section 21 and the N/2 of Section 22, Township 20 South, Range 35 East;
- b) there is currently one well completed in the Featherstone-Bone Spring Pool, the Manzano Oil Corporation Appleseed Federal Well No. 1 (**API No. 30-025-20377**) in Unit H of Section 17; and
- c) the Appleseed Federal Well No. 1 has cumulatively produced 39,763 barrels of oil from the Featherstone-Bone Spring Pool. The Appleseed Federal Well No. 1 will effectively drain an area of approximately 80 acres.

(6) No other offset operator and/or interest owner appeared at the hearing in opposition to the continuation of the current special pool rules.

(7) The evidence presented by Manzano Oil Corporation demonstrates that adoption of the special pool rules for the Featherstone-Bone Spring Pool on a permanent basis will result in the efficient drainage of reserves, will prevent the drilling of unnecessary wells, will allow the operators the opportunity to produce their just and equitable share of the oil and gas in the pool, will not result in waste, and will not violate correlative rights.

(8) The provisions of Order No. R-11053, as amended, should remain in full force and effect until further order of the Division.

IT IS THEREFORE ORDERED THAT:

(1) The temporary special pool rules for the Featherstone-Bone Spring Pool in Sections 16, 17, 21 and 22, Township 20 South, Range 35 East, NMPM, Lea County,

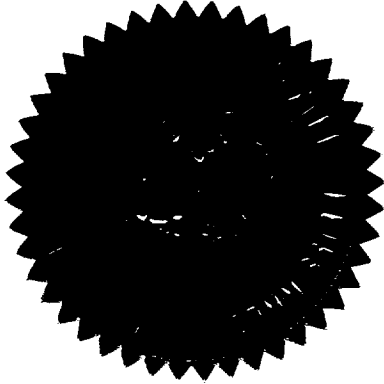
New Mexico, are hereby continued in full force and effect until further order of the Division.

(2) 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



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