

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:

CASE NO. 12107
Order No. R-11122

THE APPLICATION OF THE OIL CONSERVATION
DIVISION FOR AN ORDER CONTRACTING AND
EXTENDING CERTAIN EXISTING POOLS IN EDDY
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on December 17, 1998, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 21st day of January, 1999, 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) There is need for the contraction of the Catclaw Draw-Morrow Gas Pool in Eddy County, New Mexico, in order to correct pool nomenclature.

(3) There is need for certain extensions to the Avalon-Morrow Gas Pool in Eddy County, New Mexico.

(4) The effective date of this order and all contractions and extensions included herein should be January 1, 1999.

IT IS THEREFORE ORDERED THAT:

(a) The Catclaw Draw-Morrow Gas Pool in Eddy County, New Mexico, is

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hereby contracted by the deletion of the following described acreage:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM

Sections 17 and 18: All

Section 20: All

Section 30: All

(b) The Avalon-Morrow Gas Pool in Eddy County, New Mexico, is hereby extended to include:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM

Sections 17 and 18: All

Section 20: All

Section 29: W/2

Section 30: All

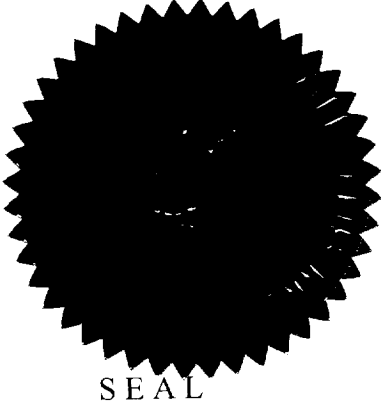
IT IS FURTHER ORDERED THAT:

(1) Pursuant to Section 70-2-18, NMSA, 1978, an operator of any well that, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one presently dedicated thereto, shall have 60 days from the effective date of this order to file Form C-102 dedicating a standard unit for the pool to that well or to obtain Division approval of a non-standard unit. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain Division approval of a non-standard unit within that 60-day period shall subject the well to cancellation of allowable.

(2) The effective date of this order and all contractions and extensions included herein shall be January 1, 1999.

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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery
LORI WROTENBERY
Director

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