

Entered April 13, 1983
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7821
Order No. R-2589-C

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR AN AMENDMENT TO ORDER
NO. R-2589, AS AMENDED, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 16 and April 13, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of April, 1983, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Amoco Production Company, seeks the amendment to Rule 4 of the Special Rules and Regulations for the Scharb-Bone Springs Pool, promulgated by Division Order No. R-2589, to provide for orthodox well locations within any quarter-quarter section.

(3) That the proposed rule change will facilitate development of newer pay zones in the Bone Springs formation being found above the main Scharb pool pay zone.

(4) That approval of the application will promote the prevention of waste and protection of correlative rights.

(5) That the application should be approved.

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IT IS THEREFORE ORDERED:

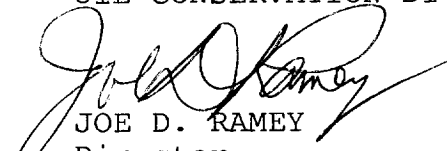
(1) That Rule 4 of the Special Rules and Regulations for the Scharb-Bone Springs Pool, Lea County, New Mexico, as contained in Division Order No. R-2589, as amended, is hereby amended to read in its entirety as follows:

"Rule 4. Wells may be located in either quarter-quarter section in the proration unit provided that any such well shall be located within 200 feet of the center of the quarter-quarter section."

(2) That 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


JOE D. RAMEY
Director

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