## 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. 3544 (Reopened) Order No. R-3212-A

IN THE MATTER OF DIVISION CASE NO. 3544 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-3212, WHICH ORDER CREATED AND PROMULGATED TEMPORARY SPECIAL RULES AND REGULATIONS FOR THE TOWER HILL-MORROW GAS POOL, EDDY COUNTY, NEW MEXICO.

## ORDER OF THE DIVISION

## BY THE DIVISION:

This cause came on for hearing at 8 a.m. on August 28, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>27th</u> day of September, 1985, 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-3212, dated March 30, 1967, the Division created, defined, and classified the Tower Hill-Morrow Gas Pool, Eddy County, New Mexico, and Temporary Special Rules and Regulations were promulgated therefor, including a provision for 640-acre spacing and proration units.

(3) Pursuant to the provisions of Division Order No. R-3212, this case was reopened to allow the operators in the subject pool to appear and show cause why the Tower Hill-Morrow Gas Pool should not be developed on 320-acre spacing and proration units.

•

1

-2-Case No. 3544 (Reopened) Order No. R-3212-A

(4) Since the inception of the Tower Hill-Morrow Gas Pool, only one well has produced from the pool, the Perry R. Bass Big Eddy Unit Well No. 17 located in the NW/4 NE/4 of Section 2, Township 21 South, Range 29 East, NMPM, Eddy County, New Mexico, which was also the discovery well for the subject pool.

(5) Said well produced from the Morrow formation between June, 1967 and September, 1967 and was plugged and abandoned in 1968.

(6) At the time of the hearing there were no appearances by interested or affected parties.

(7) It is not known at this time whether additional wells will be completed in the subject pool.

(8) In the absence of additional testimony showing why the Tower Hill-Morrow Gas Pool should not be developed on 320-acre spacing and proration units, the Temporary Special Rules and Regulations promulgated by Division Order No. R-3212 should be rescinded and said pool should be governed by the Statewide Rules.

## IT IS THEREFORE ORDERED THAT:

(1) The Temporary Special Rules and Regulations for the Tower Hill-Morrow Gas Pool, promulgated by Division Order No. R-3212, dated March 30, 1967, are hereby rescinded and the pool is hereby placed under the Statewide Rules.

(2) 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 Lunu

R. L. STAMETS Director

SEAL fd/