

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

NOMENCLATURE
CASE NO. 10950 (Reopened)
ORDER NO. R-5353-N-1

IN THE MATTER OF CASE 10950 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-5353-N, WHICH ORDER RECLASSIFIED THE CLINE-TUBB POOL IN LEA COUNTY, NEW MEXICO, AS THE CLINE-TUBB ASSOCIATED POOL AND PROMULGATED TEMPORARY SPECIAL POOL RULES THEREFOR.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 30, 1996, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 17th day of September, 1996 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) Pursuant to Division (Nomenclature) Order Nos. R-8626, R-10091, and R-10419 the boundary for the Cline-Tubb Associated Pool, being the subject of the matter, currently comprises the following described area in Lea County, New Mexico:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM

Section 1:	SW/4
Section 11:	SE/4
Section 12:	W/2 and SE/4.

(3) By Order No. R-5353-N, dated May 27, 1994 and made effective April 1, 1994, the Division granted the following provisions to the applicant, Samedan Oil Corporation ("Samedan"), in Case 10950:

(a) reclassified the Cline-Tubb Pool, originally created and defined by said Order No. R-8626 for the production of oil from the Tubb formation, as an associated pool and redesignated it the "Cline-Tubb Associated Pool";

(b) adopted the "*General Rules and Regulations for Associated Oil and Gas Pools of Northwest and Southeast New Mexico*", as promulgated by Division Order No. R-5353, as amended, as the governing procedures for the Cline-Tubb Associated Pool;

(c) promulgated "*Temporary Special Rules and Regulations for the Cline-Tubb Associated Pool*", which provided for:

(i) standard 40-acre oil spacing and proration units; and,

(ii) standard 160-acre gas spacing and proration units;

(d) authorized the formation of the following two non-standard 80-acre gas spacing and proration units in Section 12, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico:

(i) the E/2 NW/4 to be dedicated to the existing Sharp Well No. 1 (**API No. 30-025-32258**), located at a standard gas well location 1980 feet from the North and West lines (Unit F) of said Section 12; and,

(ii) the E/2 SW/4 to be dedicated to the existing Sarah "B" Well No. 2 (**API No. 30-025-32052**), located at an unorthodox gas well location 2310 feet from the South line and 1803 feet from the West line (Unit K) of said Section 12;

(e) authorized Samedan to drill its proposed Branex Federal Well No. 1 (**API No. 30-025-32319**) 2310 feet from the South line and 660 feet from the West line (Unit L) of said Section 12 and provided that should this well be an oil well in the subject pool upon its completion, the location is considered to be standard for the standard 40-acre oil spacing and proration unit comprising the NW/4 SW/4 of said Section 12; however, should this well be classified a gas well, the location will be considered unorthodox

for the resulting non-standard 80-acre gas spacing and proration unit, being the W/2 SW/4 of said Section 12, caused by the proposed 80-acre tract for the Sarah "B" Well No. 2; and,

(f) provided for the reopening of this case at a Division examiner hearing in May, 1996 to allow the operators in the subject pool to appear and show cause why the rules, regulations, and procedures governing the Cline-Tubb Associated Pool should not be rescinded and said pool not be reclassified to its original status as an "oil pool" to be governed by all applicable statewide rules governing oil production including 40-acre spacing.

(4) No operator, interested party, or mineral interest owner in the subject pool appeared at the time of the hearing to present evidence defending the necessity to continue governing the Tubb formation underlying the following described area in Lea County, New Mexico, as an "associated pool" under the provisions of the "*General Rules and Regulations for Associated Oil and Gas Pools of Northwest and Southeast New Mexico*", as promulgated by Division Order No. R-5353, as amended:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM

Section 1:	SW/4
Section 11:	SE/4
Section 12:	W/2 and SE/4.

(5) In the absence of such supporting testimony, the **Cline-Tubb Associated Pool** underlying the above described area should be reclassified the **Cline-Tubb Pool** and said Order No. R-5353-N should be deemed null and void and all provisions contained therein rescinded.

IT IS THEREFORE ORDERED THAT:

(1) The **Cline-Tubb Associated Pool** underlying the following described area in Lea County, New Mexico should be reclassified as an oil pool and redesignated the "**Cline-Tubb Pool**":

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM

Section 1:	SW/4
Section 11:	SE/4
Section 12:	W/2 and SE/4.

(2) Division Order No. R-5353-N, dated May 27, 1994 and made effective April 1, 1994, shall now be deemed null and void and all provisions contained therein rescinded.

(3) Any future or existing wells within the **Cline-Tubb Pool** shall have dedicated thereto 40 acres in accordance with General Rule 104.C(1) and shall hereinafter be subject to all applicable statewide rules, regulations, and procedures governing oil wells.

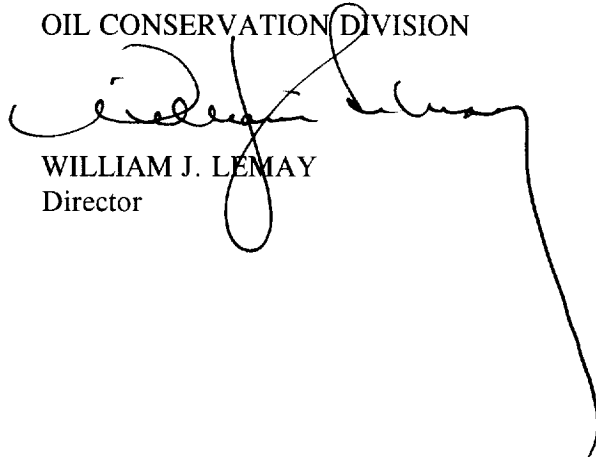
IT IS FURTHER ORDERED THAT:

Failure by the operator to file new Forms C-102 with the Division dedicating 40 acres to any existing well subject to the governing limits of the **Cline-Tubb Pool** within 45 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.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'William J. Lemay', is written over the typed name and title. The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

WILLIAM J. LEMAY
Director

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