

Entered November 8, 1982

69

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 7306 Reopened
Order No. R-6769-A

IN THE MATTER OF CASE NO. 7306
BEING REOPENED PURSUANT TO THE
PROVISIONS OF ORDER NO. R-6769,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 18, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of November, 1982, 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 by Order No. R-6769, entered in Case No. 7306 on September 30, 1981, the Division created the Madera-Lower Penn Gas Pool, promulgated temporary Special Pool Rules therefore including a provision for 640-acre spacing, and established a 616.24-acre non-standard gas spacing and proration unit comprising all of Partial Sections 33 and 34, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico, to be dedicated to the discovery well for said pool, the Getty Oil Company Federal 33 Well No. 1, located in Unit G of said Section 33.

(3) That said order also provided that Case No. 7306 be reopened one year after date of first pipeline connection to a well in said pool to permit any interested party to appear and show cause why said pool should not be developed on 320-acre spacing.

(4) That no evidence was presented at the reopening of Case No. 7306 to justify the continuance of the 640-acre spacing and proration provisions of Order No. R-6769, and the spacing for said pool should revert to 320-acre spacing for future development.

(5) That to avoid the creation of possible inequities resulting from abolishment of the previously approved

-2-

Case No. 7306 (Reopened)
Order No. R-6769-A

616.24-acre spacing and proration unit dedicated to the discovery well, said unit should be permitted to continue to exist with the provision that an infill well on said unit may be drilled in Section 34, Township 26 South, Range 33 East, NMPM, if and when conditions so warrant.

(6) That reversion of the spacing rules for the Madera Lower Penn Gas Pool to 320 acres subject to the above terms will not cause waste nor impair correlative rights and should be approved.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations for the Madera-Lower Penn Gas Pool, Lea County, New Mexico, providing for 640-acre spacing and proration units and promulgated by Division Order No. R-6769 are hereby abolished.

(2) That the 616.24-acre non-standard spacing and proration unit comprising all of Partial Sections 33 and 34, Township 26 South, Range 33 East, NMPM, and dedicated to the Getty Oil Company Federal 33 Well No. 1, located in Unit G of said Section 33, shall continue to exist, provided however, that should conditions so warrant, an infill well on said unit shall be permitted provided said infill well shall be drilled in Section 34 of said Township 26 South, Range 33 East, NMPM.

(3) 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

S E A L

