

Entered August 4, 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. 7916  
Order No. R-7325

APPLICATION OF SOUTHERN UNION EXPLORATION  
COMPANY FOR THE AMENDMENT OF THE SPECIAL  
RULES GOVERNING THE BISTI-LOWER GALLUP  
OIL POOL, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 20, 1983,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 4th day of August, 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, Southern Union Exploration  
Company, seeks the amendment of Rule 2 of the special rules  
governing the Bisti-Lower Gallup Oil Pool as promulgated by  
Division Order No. R-1069-B to provide for 80-acre proration  
units comprising either the N/2, S/2, E/2, or W/2 of any quarter  
section in said pool.

(3) That at the hearing, the applicant requested and  
received approval to amend the application to not amend said  
special rules for the entire pool, but to only provide for an  
exception to said Rule 2 in Section 11, Township 25 North, Range  
13 West, NMPM.

(4) That the application, as revised, is sought to permit  
the applicant flexibility in developing a new bar which may lie  
to the South of the main pay zone in said pool.

(5) That approval of the amended application will permit  
the applicant to recover oil from said pool which might not

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otherwise be recovered, thereby preventing waste, and will not violate correlative rights.

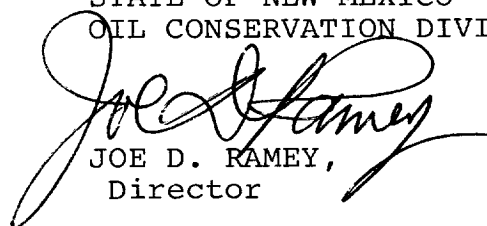
IT IS THEREFORE ORDERED:

(1) That the applicant, Southern Union Exploration Company, is hereby granted an exception to Rule 2 of the Special Rules and Regulations for the Bisti-Lower Gallup Oil Pool as promulgated by Division Order No. R-1069-B, to permit it to develop Section 11, Township 25 North, Range 13 West, NMPM, San Juan County, New Mexico, on 80-acre oil proration units consisting of the N/2, S/2, E/2, W/2 of any quarter section contained therein.

(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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