

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. 8483
Order No. R-7829

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER EXTENDING THE VERTICAL AND
HORIZONTAL LIMITS OF THE EAST MILLMAN
QUEEN-GRAYBURG POOL IN EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on February 13, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 15th day of February, 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) There is need for the extension of vertical limits of the East Millman Queen-Grayburg Pool in Eddy County, New Mexico, to include the San Andres formation, the redesignation of said pool as the East Millman Queen-Grayburg-San Andres Pool, and the extension of the horizontal limits thereof.

IT IS THEREFORE ORDERED THAT:

(a) The vertical limits of the East Millman Queen-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, are hereby extended to include the San Andres formation and said pool is redesignated as the East Millman Queen-Grayburg-San Andres Pool.

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Further, the horizontal limits of said pool are hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 12: N/2 NE/4 and SW/4 NE/4

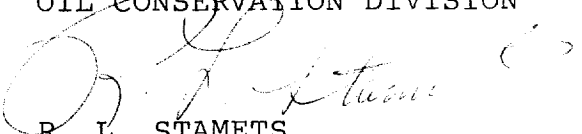
IT IS FURTHER ORDERED THAT:

(1) Pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well, which by virtue of the above pool extension, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of allowable.

(2) The effective date of this order and all extensions of vertical and horizontal limits included herein shall be March 1, 1985.

DONE in Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


R. L. STAMETS
Director

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