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. 8599 Order No. R-7950

APPLICATION OF L. L. ROBINETT TO REMOVE AND MARKET OIL FROM THE OGALALLA FORMATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on May 22, 1985, and on June 5, 1985, at Santa Fe, New Mexico, before Examiners Michael E. Stogner and Gilbert P. Quintana, respectively.

NOW, on this <u>12th</u> day of June, 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) The applicant, L. L. Robinett, seeks authority to remove and market oil from the Ogalalla formation in the S/2 SE/4 of Section 29, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico, without restriction concerning the method of operation or quantity of oil recovered.

(3) The applicant proposes to recover crude oil from existing water wells completed in the Ogalalla formation and water wells to be drilled and completed in the Ogalalla formation in the S/2 SE/4 of said Section 29.

(4) The Ogalalla formation in said area contains fresh water supplies designated by the State Engineer and the presence of crude oil in said formation may constitute a hazard to said water supplies. -2-Case No. 8599 Order No. R-7950

(5) The Division lacks jurisdiction to determine who has the right to recover said crude oil or the title to said crude oil but should authorize the recovery and marketing of said crude oil in order to prevent waste and protect fresh water supplies designated by the State Engineer.

IT IS THEREFORE ORDERED THAT:

(1) Crude oil may be recovered from existing water wells completed in the Ogalalla formation and water wells to be drilled and completed in the Ogalalla formation in the S/2 SE/4 of Section 29, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) Said crude oil may be marketed provided Division Form C-104 has been filed with the Division's Hobbs District Office stating the name of the seller, the name of the transporter, and the location of the water well from which the oil was recovered.

(3) Each person recovering crude oil under the provisions of this order shall keep a daily record of the amount of oil recovered from each water well and shall file the Division's monthly production report, Form C-115, in accordance with Rule 1115.

(4) The Division will not determine who has the right to recover said crude oil or the title to said crude oil.

(5) 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. Manu Y

R. L. STAMETS Director

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