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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 9117 REOPENED Order No. R-8443-A

IN THE MATTER OF CASE NO. 9117 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-8443, WHICH ORDER PROMULGATED TEMPORARY SPECIAL RULES AND REGULATIONS FOR THE BELL LAKE-CHERRY CANYON POOL IN LEA COUNTY, NEW MEXICO, INCLUDING A PROVISION FOR 80-ACRE SPACING UNITS.

## ORDER OF THE DIVISION

## BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on April 13, 1988, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this <u>21st</u> day of April, 1988, 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) By Order No. R-8443, dated May 8, 1987, the Division created, defined, and promulgated Temporary Special Rules and Regulations for the Bell Lake-Cherry Canyon Pool, Lea County, New Mexico, including a provision for 80-acre spacing and proration units. CASE NO. 9117 Order No. R-8443-A -2-

(3) Pursuant to the provisions of Order No. R-8443, this case was reopened to allow the operators in the subject pool to appear and show cause why the Bell Lake-Cherry Canyon Pool should not be developed on 40-acre spacing and proration units.

(4) There were no appearances at the hearing by operators or interested parties.

(5) In the absence of additional testimony showing why the Bell Lake-Cherry Canyon Pool should not be developed on 40-acre spacing and proration units, the Temporary Special Rules and Regulations established by Order No. R-8443 should be rescinded.

(6) A standard spacing and proration unit for the Bell Lake-Cherry Canyon Pool should be 40 acres in accordance with Rule 104 of the Division Rules and Regulations.

IT IS THEREFORE ORDERED THAT:

(1) The Temporary Special Rules and Regulations for the Bell Lake-Cherry Canyon Pool as promulgated by Division Order No. R-8443 are hereby <u>rescinded</u>.

(2) A standard spacing and proration unit for the Bell Lake-Cherry Canyon Pool shall be 40 acres in accordance with Rule 104 of the Division Rules and Regulations.

(3) 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 .)0 WILLIAM J. LEMAY Director

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