

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. 9439 (REOPENED)  
Order No. R-8770-A

IN THE MATTER OF CASE 9439 BEING  
REOPENED PURSUANT TO THE PROVISIONS  
OF DIVISION ORDER NO. R-8770 WHICH  
ORDER PROMULGATED TEMPORARY SPECIAL  
RULES AND REGULATIONS INCLUDING A  
PROVISION FOR 80-ACRE SPACING AND  
PRORATION UNITS, DESIGNATED WELL  
LOCATIONS, AND A POOLWIDE EXCEPTION  
TO DIVISION RULE NO. 111 ALLOWING  
FOR DIRECTIONAL DRILLING OR WELL  
DEVIATIONS OF MORE THAN FIVE DEGREES  
IN ANY 500 FOOT INTERVAL IN THE  
VADA-DEVONIAN POOL, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 2, 1990,  
at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 30th day of May, 1990, 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-8667, dated June 10, 1988, the Division  
created and defined the Vada-Devonian Pool with horizontal limits  
consisting of the SW/4 of Section 26, Township 10 South, Range 33  
East, NMPM, Lea County, New Mexico.

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(3) By Order No. R-8770, dated October 26, 1988, the Division, upon application of Union Pacific Resources Company, promulgated Temporary Special Rules and Regulations for the Vada-Devonian Pool, Lea County, New Mexico, including provisions for 80-acre spacing and proration units, designated well locations, and a poolwide exception to Division Rule No. 111 allowing for directional drilling or well deviations of more than five degrees in any 500 foot interval.

(4) Pursuant to the provisions of said Order No. R-8770, this case was reopened to allow the operators in the subject pool to appear and show cause why the temporary rules for the Vada-Devonian Pool should not be rescinded.

(5) Western Reserves, the successor operator to Union Pacific Resources Company, appeared at the hearing and requested that the temporary special pool rules for the subject pool be rescinded.

(6) No other operators appeared at the hearing to present additional evidence or testimony.

(7) In the absence of additional testimony showing why the Vada-Devonian Pool should not be developed on 40-acre spacing and proration units, or why the temporary special rules should remain in effect, the Temporary Special Rules and Regulations established by Order No. R-8770 should be rescinded.

(8) A standard spacing and proration unit for the Vada-Devonian Pool should be 40 acres in accordance with General Rule No. 104 of Division Rules and Regulations.

**IT IS THEREFORE ORDERED THAT:**

(1) The Temporary Special Rules and Regulations for the Vada-Devonian Pool, Lea County, New Mexico, as promulgated by Division Order No. R-8770 are hereby rescinded.

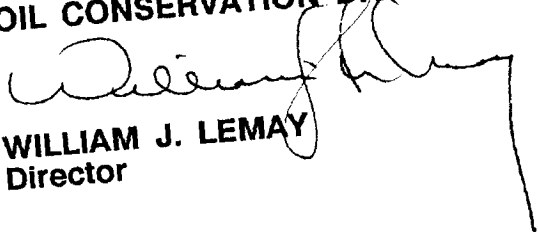
(2) A standard spacing and proration unit for the Vada-Devonian Pool shall be 40 acres in accordance with General Rule No. 104 of the Division Rules and Regulations.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY  
Director

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