Entered June 5, 1980 All

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. 6893 Order No. R-5353-F

APPLICATION OF STEVENS OIL COMPANY TO AMEND ORDER NO. R-5353, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 21, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>5th</u> day of June, 1980, 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, Stevens Oil Company, seeks a revision of the special rules for the Twin Lakes-San Andres Associated Pool as promulgated by Order No. R-5353 to provide that each well, oil or gas, shall be located no nearer than 330 feet to any quarter-quarter section line, except that any well drilled in a known gas productive area shall be located within 150 feet of the center of the quarter-quarter section.

(3) That no party appeared and objected to the proposed revision to said special pool rules.

(4) That the proposed amendment to said special pool rules will not serve to cause waste nor violate correlative rights and should be approved.

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-2-Case No. 6893 Order No. R-5353-F

IT IS THEREFORE ORDERED:

(1) That Rule 2 of the special rules and regulations for the Twin Lakes-San Andres Associated Pool as promulgated by Order No. R-5353 shall be amended to add Rule 2(b) which shall read in its entirety as follows:

"RULE 2.(b) Each well, oil or gas, shall be located no nearer than 330 feet to any quarter-quarter section line, except any well drilled or any known gas producing area shall be located within 150 feet of the center of a quarter-quarter section."

(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 1 vi JOE D. RAMEY Director

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