Entered October 6, 15>8

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. 6337 Order No. R-5829

APPLICATION OF MARK D. WILSON TO LIMIT APPLICATION OF POOL RULES, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 27, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>6th</u> day of October, 1978, 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 applicant, Mark D. Wilson, seeks to limit the application of the Special Rules and Regulations for the McMillan-Morrow Gas Pool, Eddy County, New Mexico, to the horizontal limits of said pool only.

(3) That said McMillan-Morrow Gas Pool has been developed and operated on 640-acre spacing pursuant to the provisions of Division Order No. R-2917, dated June 8, 1965.

(4) That the productive limits of the McMillan-Morrow Gas Pool have been defined by the wells drilled within and immediately outside the presently defined pool boundaries.

(5) That any new production which may be established in this area will in all probability be from a separate common source of supply and should not necessarily be subject to the Special Pool Rules established for the McMillan-Morrow Gas Pool. -2-Case No. 6337 Order No. R-5829

(6) That limitation of the application of the McMillan-Morrow Gas Pool Rules to wells located within the boundaries of the McMillan-Morrow Gas Pool as they now exist will not cause waste nor impair correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That the 640-acre spacing rules and special well location requirements applicable to the McMillan-Morrow Gas Pool shall be effective only insofar as they apply to the followingdescribed lands in Eddy County, New Mexico:

> TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM Section 13: All Section 24: All

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM Section 7: All Sections 18 and 19: All

(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 NE JOE D. RAMEY Director

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