

Entered March 5, 1982



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. 6373
Order No. R-5875-B

IN THE MATTER OF CASE 6373 BEING REOPENED
PURSUANT TO THE PROVISIONS OF ORDERS NOS. R-5875
AND R-5875-A WHICH CREATED THE EAST HIGH HOPE-ABO
GAS POOL IN EDDY COUNTY, NEW MEXICO AND PROMULGATED
SPECIAL RULES THEREFOR, INCLUDING A PROVISION FOR
320-ACRE SPACING UNITS.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 17, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 5th day of March, 1982, 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 by Orders No. R-5875 and R-5875-A, dated November 30, 1978 and March 19, 1980, respectively, temporary special rules and regulations were promulgated for the East High Hope-Abo Gas Pool, Eddy County, New Mexico, establishing temporary 320-acre spacing units.
- (3) That pursuant to the provisions of Order No. R-5875-A, this case was reopened to allow the operators in the subject pool to appear and show cause why the East High Hope-Abo Gas Pool should not be developed on 160-acre spacing units.
- (4) That no party appeared to present testimony in this case.

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(5) That effective April 1, 1982, the Special Rules and Regulations for the East High Hope-Abo Gas Pool should be rescinded and such pool should be made subject only to the general Rules and Regulations of the Division.

IT IS THEREFORE ORDERED:

(1) That effective April 1, 1982, the Special Rules and Regulations governing the East High Hope-Abo Gas Pool, Eddy County, New Mexico, promulgated by Orders No. R-5875 and R-5875-A, are hereby rescinded.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the East High Hope-Abo Gas Pool or in the Abo formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Artesia District Office of the Division in writing of the name and location of the well on or before March 15, 1981.

(2) That, pursuant to Paragraph A. of Section 70-2-18, NMSA, 1978, existing wells in the East High Hope-Abo Gas Pool shall have dedicated thereto 160 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C. of said Section 70-2-18, existing wells may have non-standard spacing or proration units established by the Division and dedicated thereto.

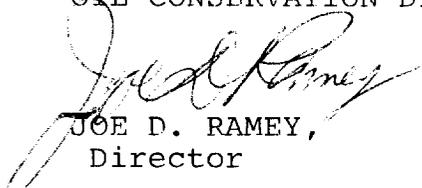
Failure to file new Forms C-102 with the Division dedicating 160 acres to a well or to obtain a non-standard unit approved by the Division within 60 days from the date of this order shall subject the well to cancellation of allowable. Until said Form C-102 has been filed or until a non-standard unit has been approved, and subject to said 60-day limitation, each well presently drilling to or completed in the East High Hope-Abo Gas Pool or in the Abo formation within one mile thereof shall receive no allowable.

(3) That 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


JOE D. RAMEY,
Director

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