## 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:

Nomenclature Reopened CASE NO. 10478 Order No. R-9701-B

IN THE MATTER OF CASE NO. 10478 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-9701 WHICH ORDER CREATED THE ROCK MESA-MANCOS OIL POOL IN SANDOVAL COUNTY, NEW MEXICO, AND PROMULGATED TEMPORARY SPECIAL RULES AND REGULATIONS FOR SAID POOL, INCLUDING A PROVISION FOR 640-ACRE SPACING AND PRORATION UNITS.

## **ORDER OF THE DIVISION**

#### **BY THE DIVISION:**

This cause came on for hearing at 8:15 a.m. on July 7, 1994, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 20th day of July, 1994, 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-9701, issued in Case No. 10478 on August 6, 1992, the Division, upon application of Merrion Oil and Gas Corporation, created the Rock Mesa-Mancos Oil Pool comprising portions of Townships 18 and 19 North, Range 3 West, NMPM, Sandoval County, New Mexico, and promulgated temporary special rules and regulations for said pool including a provision for 640-acre spacing and proration units and designated well locations.

(3) Pursuant to the provisions of Division Order No. R-9701, this case was reopened to allow the operators within the subject pool to appear and show cause why the Temporary Special Rules and Regulations for the Rock Mesa-Mancos Oil Pool should remain in effect.

(4) The Rock Mesa-Mancos Oil Pool currently comprises the following described acreage:

#### TOWNSHIP 18 NORTH, RANGE 3 WEST, NMPM Sections 4 and 5: All

# TOWNSHIP 19 NORTH, RANGE 3 WEST, NMPM

Sections 9 through 11: All Sections 14 through 17: All Sections 20 through 22: All Sections 27 through 29: All Sections 32 and 33: All

(5) The Rock Mesa-Mancos Oil Pool was created and defined to coincide with a Federal exploratory unit which was to be formed by Merrion Oil and Gas Corporation. The Temporary Special Rules and Regulations for the Rock Mesa-Mancos Oil Pool were promulgated, in part, to aid the applicant in the economic drilling and exploration of the Mancos formation in this area.

(6) Division records indicate that Merrion Oil and Gas Corporation drilled a Mancos test well, the Rock Mesa Well No. 1 located in Section 32, Township 19 North, Range 3 West, in April, 1993. Division records further indicate that such well tested dry in the Mancos formation and was subsequently plugged and abandoned.

(7) Division records further indicate that no production has been established to date in the Rock Mesa-Mancos Oil Pool.

(8) No operator, including Merrion Oil and Gas Corporation, appeared at the hearing.

(9) There is no evidence at the current time to support the continuation of the Special Rules and Regulations for the Rock Mesa-Mancos Oil Pool.

(10) Being that no production has been established in the Rock Mesa-Mancos Oil Pool, there is no justification to continue its existence.

(11) The Rock Mesa-Mancos Oil Pool should be abolished.

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#### **IT IS THEREFORE ORDERED THAT:**

(1) The Temporary Special Rules and Regulations for the Rock Mesa-Mancos Oil Pool, Sandoval County, New Mexico, as promulgated by Division Order No. R-9701, are hereby <u>rescinded</u>.

(2) The Rock Mesa-Mancos Oil Pool, which currently comprises the following described acreage in Sandoval County, New Mexico, is hereby <u>abolished</u>:

TOWNSHIP 18 NORTH, RANGE 3 WEST, NMPM Sections 4 and 5: All

TOWNSHIP 19 NORTH, RANGE 3 WEST, NMPM

Sections 9 through 11: All Sections 14 through 17: All Sections 20 through 22: All Sections 27 through 29: All Sections 32 and 33: All

(3) Jurisdiction of this cause is hereby 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 00 WILLIAM J. LEMAY Director

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