## BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION 2007 AUG 28 PM 5 08 APPLICATION OF APACHE CORPORATION TO AMEND THE SPECIAL RULES AND REGULATIONS FOR THE SOUTH EUNICE-SAN ANDRES POOL, LEA COUNTY, NEW MEXICO. Case

5. 6

Case No. 13,911

## **MOTION TO CONTINUE EMERGENCY ORDER IN EFFECT**

والمروحية المرقاص العارف والمست

Apache Corporation ("applicant") applies for an order continuing Order No. R-12748 in effect, allowing it to produce certain wells which exceed the well density requirements of the rules for the South Eunice-San Andres Pool (the "Pool"), pending a final order in the above case. In support thereof, applicant states:

1. By letter dated March 15, 2007, the Division notified applicant that it had more than one well per quarter-quarter section on three 80 acre well units in the Pool.

2. On April 3, 2007 applicant's representatives met with Division representatives to discuss resolution of this issue. At the meeting, applicant presented geological and engineering data to the Division that wells in the pool drain approximately 14 acres. As a result of the meeting, applicant filed Case No. 13,911 to amend the special rules and regulations for the Pool and allow two wells to be located on each quarter-quarter section.

3. At the April meeting, the Division informed applicant that it must shut-in the offending wells until an order is issued in Case No. 13,911.

4. On April 4, 2007, applicant wrote to the Division stating that it does not want to shut-in wells on two of the well units, because shutting them in pending hearing will cause loss of production capacity and reserves.

5. By motion filed April 17, 2007, applicant requested an emergency order allowing it to continue producing its "offending" wells. By Order No. R-12748, the Division granted the

motion. The motion required applicant to request an extension of the emergency order at hearing.

6. The hearing in this case was held on May 10, 2007. At the hearing, applicant requested an extension of Order No. R-12748 until a final order was issued. The Hearing Examiner did not act on the request. However, the undersigned has been verbally informed by the Hearing Examiner that he had, and has, no objection to a continuation of Order No. R-12748. No final order has been entered in this case.

7. Applicant requests that this motion be granted without hearing, as allowed by NMAC 19.15.14.1225(A). Furthermore, the parties notified of the application herein did not object at hearing to the relief requested by applicant. The only other operator which entered an appearance in the case, Chesapeake Operating, Inc., supports the application. <u>See</u> Exhibit 5A submitted at hearing.

8. The granting of this motion is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, applicant requests that the Division grant the relief requested above.

Respectfully submitted,

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Attorney for Apache Corporation

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served upon the following counsel of record this 1/2 day of August, 2007 via hand delivery:

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