

**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:**

**CASE NO. 14057
ORDER NO. R-12868**

**APPLICATION OF BLACK HILLS GAS
RESOURCES, INC. FOR A NON-STANDARD
PRORATION UNIT, RIO ARriba COUNTY,
NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for consideration on the request of the applicant, by letter of counsel, for emergency relief prior to the hearing.

NOW, on this 3rd day of January, 2008, the Division Director, having considered the matter and being fully advised,

FINDS THAT:

- (1) Due notice has been given, and the Division has jurisdiction of the subject matter of this case.
- (2) Black Hills Gas Resources, Inc. (Applicant) has applied for approval of a non-standard gas spacing unit in the East Blanco-Pictured Cliffs Gas Pool (72400) for its Jicarilla 458-8 Well No. 13 (API No. 30-039-29894) [the subject well], located in Unit B of Section 8, Township 30 North, Range 3 West, in Rio Arriba County.
- (3) Black Hills has already drilled the subject well.
- (4) By letter dated November 27, 2007, counsel for Black Hills requested authorization to produce the subject well.

(5) An emergency exists justifying interim relief prior to the hearing of this matter because continued shut-in of the well could damage the well, thereby causing waste.

(6) To date, no party has entered an appearance in this case or otherwise advised the Division of any opposition to approval of the non-standard unit sought by Applicant.

IT IS THEREFORE ORDERED THAT:

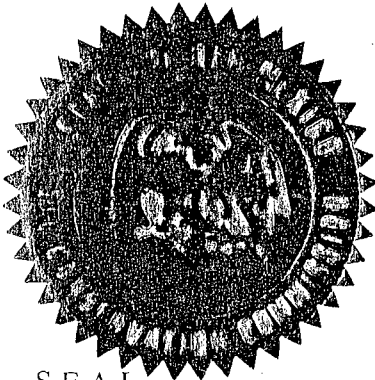
(1) This emergency order is issued pursuant to NMSA 1978 Section 70-2-23, and shall remain in force until the expiration of 15 days from the date of issuance, or until the conclusion of the examiner hearing, whichever first occurs.

(2) Applicant is hereby authorized to produce the subject well from the East Blanco- Pictured Cliffs Pool during the effective term of this Order.

(3) At the conclusion of the hearing, the hearing examiner shall determine whether or not to extend this order until the issuance of a final Division Order in this case.

(4) Jurisdiction of this case 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.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read "Mark E. Fesmire".

MARK E. FESMIRE, P.E.
Director