

EAGLE CREEK-SAN ANDRES POOL
(Rule 104.C.I. Exception)
Eddy County, New Mexico

BISTI-LOWER GALLUP OIL POOL
(Proration Unit Exception)
San Juan County, New Mexico

Order No. R-3169-A, Granting an Exception to Rule 104.C.I. for the Eagle Creek-San Andres Pool, Eddy County, New Mexico, July 1, 1983.

Order No. R-1069-H, Granting Hicks Oil and Gas Company an Exception for Oil Proration Units in the Bisti-Lower Gallup Pool, San Juan County, New Mexico, October 5, 1983.

Application of Yates Petroleum Corporation for an Exception to Rule 104.C.I., Eddy County, New Mexico.

Application of Hicks Oil and Gas Company for an Exception to Division Order No. R-1069-B, San Juan County, New Mexico.

CASE NO. 7871
Order No. R-3169-A

CASE NO. 7965
Order No. R-1069-H

ORDER OF THE DIVISION

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BY THE DIVISION: This cause came on for hearing at 9 a.m. on May 25, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

BY THE DIVISION: This cause came on for hearing at 9 a.m. on September 28, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 1st day of July, 1983, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

NOW, on this 5th day of October, 1983, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(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 the Eagle Creek-San Andres Pool in Eddy County, New Mexico, was discovered on May 23, 1959.

(2) That the applicant, Hicks Oil and Gas Company, seeks an exception to RULE 2 of the Special Rules and Regulations for the Bisti-Lower Gallup Oil Pool as promulgated by Division Order No. R-1069-B to provide for 80-acre proration units comprising either the N/2, S/2, E/2 or W/2 of any single governmental quarter section in Section 2, Township 25 North, Range 13 West, NMPM, San Juan County, New Mexico.

(3) That said pool has experienced drilling and expansion to date.

(4) That the applicant, Yates Petroleum Corporation, operates all but six of the approximately 150 wells in said pool.

(5) That the majority of the applicant's acreage has been developed to a density of one well per each 10 acres.

(6) That the applicant seeks an exception from Division Rule 104.C.I. for said pool in order to permit the pool to be developed on a 40-acre five-spot pattern.

(7) That the evidence presented indicated that granting the applicant's request would substantially improve primary recovery from the pool and facilitate secondary or enhanced recovery.

(3) That the application is sought to permit the applicant flexibility in developing a new "sandstone bar" which may lie in this portion of said pool.

(4) That the approval of the subject application will permit the applicant to recover oil from said pool which might not otherwise be recovered, thereby preventing waste, and will not violate correlative rights.

(8) That the application should be approved.

IT IS THEREFORE ORDERED:

IT IS THEREFORE ORDERED:

(1) That the Eagle Creek-San Andres Pool, as heretofore defined and described, is hereby exempted from the provisions of Rule 104.C.I. and operators in said pool may drill up to five wells on any quarter-quarter section or lot.

(1) That the applicant, Hicks Oil and Gas Company, is hereby granted an exception to RULE 2 of the Special Rules and Regulations for the Bisti-Lower Gallup Oil Pool as promulgated by Division Order No. R-1069-B, to permit the development of Section 2, Township 25 North, Range 13 West, NMPM, San Juan County, New Mexico, on 80-acre oil proration units consisting of the N/2, S/2, E/2, or W/2 of any single governmental quarter section contained therein.

(2) That the effective date of this order shall be July 1, 1983.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

(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.

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