

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

Nomenclature
CASE NO. 11269 (Reopened)
ORDER NO. R-10427-A

IN THE MATTER OF CASE 11269 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-10427, WHICH ORDER CREATED THE NORTH BELL LAKE-ELLENBURGER GAS POOL AND PROMULGATED TEMPORARY SPECIAL RULES AND REGULATIONS THEREFOR, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on February 6, 1997, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 27th day of February, 1997 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-10427 entered in Case No. 11269 on July 26, 1995, the New Mexico Oil Conservation Division, upon application of Amerada Hess Corporation:
 - (a) created and defined the North Bell Lake-Ellenburger Gas Pool for the production of gas from the Ellenburger formation with horizontal limits comprising all of Section 5, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico;
 - (b) promulgated temporary special rules and regulations therefor including provisions for:
 - (i) standard 640-acre gas spacing and proration units;
and,

- (ii) designated well location requirements such that each well is to be located no closer than 1650 feet to the outer boundary of the proration unit nor closer than 330 feet to any governmental quarter-quarter section line or subdivision inner boundary; and,
 - (c) granted approval to Amerada Hess Corporation for an unorthodox gas well location within said pool for its North Bell Lake Well No. 2 (API No. 30-025-32672), located 1100 feet from the South line and 1500 feet from the West line (Unit N) of said Section 5, to which was dedicated all of said Section 5, being a standard 640-acre, more or less, gas spacing and proration unit in the North Bell Lake-Ellenburger Gas Pool.
- (3) The boundaries for said Pool currently comprise all of Sections 5 and 6, both in Township 23 South, Range 34 East, NMPM, Lea County, New Mexico.
- (4) Pursuant to the provisions of said Order No. R-10427, this case was reopened to allow the operator(s) in the subject pool to appear and show cause why the North Bell Lake-Ellenburger Gas Pool should not be developed on standard statewide 320-acre spacing units and the temporary pool rules adopted herein should not be rescinded.
- (5) Amerada Hess Corporation, the original applicant in this matter and operator of the only two wells within the North Bell Lake-Ellenburger Gas Pool, appeared at the hearing and provided technical evidence and testimony based on well performance and production histories, which indicates that one well completed in the subject reservoir can efficiently and effectively drain a standard 640-acre unit.
- (6) No other interested party appeared at the February 6, 1997 hearing in opposition to the continuation of the "*Special Rules and Regulations for the North Bell Lake-Ellenburger Gas Pool*".
- (7) The provisions of said Order No. R-9952-A, as amended, should remain in full force and effect until further order of the Division.

IT IS THEREFORE ORDERED THAT:

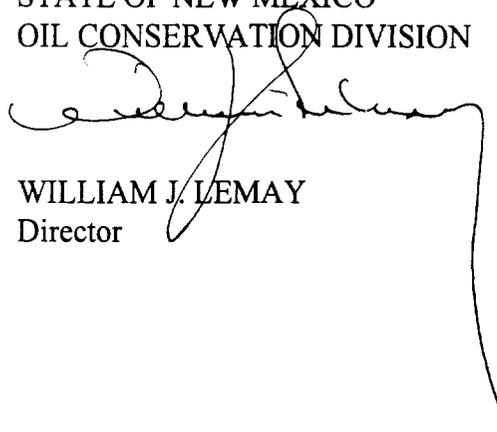
- (1) The provisions established for the North Bell Lake-Ellenburger Gas Pool in Lea County, New Mexico, by Order No. R-10427, dated July 26, 1995, including a provision for 640-acre spacing and limited gas well locations, are hereby continued in full force and

effect until further order of the Division.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.



STATE OF NEW MEXICO
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A handwritten signature in cursive script, appearing to read "William J. Lemay", is written over the typed name and extends downwards with a long, thin tail.

WILLIAM J. LEMAY
Director