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. 12322 (Reopened) ORDER NO. R-11326-A

IN THE MATTER OF CASE NO. 12322 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-11326 WHICH ORDER ESTABLISHED TEMPORARY SPECIAL POOL RULES FOR THE SOUTH MCCORMACK-SILURIAN POOL IN LEA COUNTY, NEW MEXICO, INCLUDING A PROVISION FOR A DEPTH BRACKET ALLOWABLE OF 230 BARRELS OF OIL PER DAY.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on April 5, 2001, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 213+ day of May, 2001, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

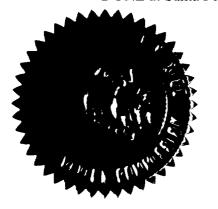
- (1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.
- (2) By Order No. R-11326 issued in Case No. 12322 on February 10, 2000, the Division, upon application of Home-Stake Oil & Gas Company, established "Temporary Special Pool Rules for the South McCormack-Silurian Pool," located in portions of Sections 16, 21 and 22, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, including a special depth bracket allowable of 230 barrels of oil per day.
- (3) Pursuant to the provisions of Order No. R-11326, this case was reopened to allow the operators in the South McCormack-Silurian Pool to appear and present evidence to show cause why the temporary special pool rules should not be rescinded.

- (4) No operator, interested party, or interest owner appeared at the hearing to present evidence in this case.
- (5) In the absence of supporting evidence, the "Temporary Special Pool Rules for the South McCormack-Silurian Pool" should be rescinded and the pool should be governed by Division Rule 505.A., which provides for a depth bracket allowable of 187 barrels of oil per day.

IT IS THEREFORE ORDERED THAT:

- (1) The "Temporary Special Pool Rules for the South McCormack-Silurian Pool," as established by Division Order No. R-11326 on February 10, 2000, are hereby rescinded.
- (2) In accordance with the provisions of Division Rule 505.A., the South McCormack-Silurian Pool is hereby assigned a depth bracket pool allowable of 187 barrels of oil per day.
- (3) Jurisdiction 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

LORI WROTENBERY

Director

SEAL