

**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. 12596 (Reopened)
ORDER NO. R-8089-B**

**IN THE MATTER OF CASE NO. 12596 BEING REOPENED PURSUANT TO THE
PROVISIONS OF DIVISION ORDER NO. R-8089-A, WHICH ORDER ESTABLISHED
TEMPORARY SPECIAL POOL RULES FOR THE FEATHER-MORROW POOL, LEA
COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on February 20, 2003, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 8th day of April, 2003, 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-8089 dated December 4, 1985, the Division, upon application of H. L. Brown, Jr., established a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil within the Feather-Morrow Pool, Lea County, New Mexico.

(3) By Order No. R-8089-A dated June 21, 2001, the Division, upon application of Yates Petroleum Corporation, amended the special pool rules for the Feather-Morrow Pool to include provisions for 160-acre spacing and proration units and designated well location requirements.

(4) Pursuant to the provisions of Order No. R-8089-A, this case was reopened to allow the operators in the Feather-Morrow Pool to appear and present evidence to support the continuation of 160-acre spacing within the pool.

(5) The Feather-Morrow Pool currently comprises the SE/4 of Section 16, the E/2 and SW/4 of Section 21, the NW/4 of Section 28, and the NE/4 of Section 29, all in Township 15 South, Range 32 East, NMPM, Lea County, New Mexico.

(6) Yates Petroleum Corporation and Pogo Producing Company appeared at the hearing through legal counsel.

(7) Legal counsel for Yates Petroleum Corporation stated that Yates' position is that the Feather-Morrow Pool can be effectively developed on statewide 40-acre spacing, and further requested that the special pool rules that require 160-acre spacing be rescinded.

(8) Pogo Producing Company did not make a statement in this case.

(9) No other operator and/or interest owner appeared at the hearing.

(10) In the absence of technical evidence to support continuation of 160-acre spacing, the special pool rules relating to well spacing and well location requirements for the Feather-Morrow Pool should be rescinded, and the pool should be governed by Division Rule No. 104.B.

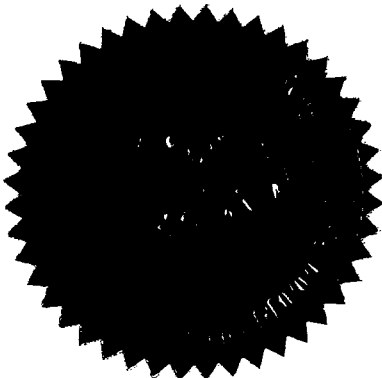
IT IS THEREFORE ORDERED THAT:

(1) Rules No. 1 through 6 of the "*Temporary Special Pool Rules for the Feather-Morrow Pool*," as established by Division Order No. R-8089-A, are hereby rescinded.

(2) The limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil for the Feather-Morrow Pool, as established by Division Order No. R-8089, is hereby continued in full force and effect.

(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.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenberg
LORI WROTENBERY
Director