STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 8323 Order No. R-7693-C

APPLICATION OF YATES PETROLEUM CORPORATION FOR HEARING DE NOVO, CASE NO. 8323, AND STAY OF DIVISION ORDER NO. R-7693-B, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

- - -

;

The Division Director,

FINDS THAT:

(1) On May 7, 1985, the Division entered Order No. R-7693-B in Case No. 8323.

- (2) Said order, in part
 - (a) authorized Blanco Engineering to utilize the Flint Gas Com Well No. 1 located 1980 feet from the South and East lines of Section 22, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, as a salt water disposal well into the Atoka formation; and,
 - (b) required Yates Petroleum Corporation to return said well to Blanco Engineering restored as near as possible to the condition in which it was received or to pay the cost of such restoration.

(3) Yates Petroleum Corporation, an interested party, on May 21, 1985, filed a timely request for hearing De Novo in Case 8323 and requested a stay of said Order No. R-7693-B.

(4) Yates Petroleum Corporation as a party of record has a right to hearing De Novo in Case No. 8323 before the Oil Conservation Commission.

(5) A stay of Division Order No. R-7693-B will serve to prevent waste and protect correlative rights and maintain the status quo pending a final determination of this matter and should be granted. -2-Case No. 8323 Order No. R-7693-C

(6) The authority for this stay of Order No. R-7693-B derives from Section 70-2-6 A NMSA 1978 Compilation.

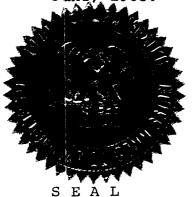
IT IS THEREFORE ORDERED THAT:

(1) Case No. 8323 is set for hearing De Novo before the Oil Conservation Commission at 9 a.m. on July 10, 1985, in Santa Fe.

(2) Division Order No. R-7693-B is hereby stayed pending issuance of an order from the De Novo hearing.

(3) 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 this <u>21st</u> day of June, 1985.



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Am R. L. STAMETS

R. L. STAMET Director

fd/

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 8323 <u>DE NOVO</u> Order No. R-7693-D

APPLICATION OF BLANCO ENGINEERING, INC. FOR SALT WATER DISPOSAL, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 10, 1985, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 18th day of July, 1985, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS THAT:

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

(2) The applicant, Blanco Engineering, Inc., seeks an order authorizing its use of the former Pan American Flint Gas Com Well No. 1, located 1980 feet from the South and East line of Section 22, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, as a salt water disposal well utilizing the perforated interval from 9,094 feet to 9,116 feet.

(3) The matter came on for hearing at 8 a.m. on November 9, 1984, and on January 16 and March 27, 1985 at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana and, pursuant to these hearings, Orders Nos. R-7693, R-7693-A, and R-7693-B were entered, which ultimately granted the application for salt water disposal.

(4) On May 21, 1985, application for Hearing <u>de novo</u> was made by Yates Petroleum Company and the matter was set for hearing before the Commission. -2-Case No. 8323 Order No. R-7693-D

(5) The matter came on for hearing <u>de novo</u> on July 10, 1985, and the parties presented a stipulated agreement wherein Blanco requested dismissal of this case.

(6) Case No. 8323 should be dismissed.

(7) This order should supersede all previous orders in this case.

IT IS THEREFORE ORDERED THAT:

(1) Case No. 8323 is hereby dismissed.

(2) This order supersedes all previous orders issued in this case.

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

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JIM BACA, Member

ED KELLY Member CI MAL

R. L. STAMETS, Secretary and Chairman

SEAL