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

CASE NO. 6001 Order No. R-5575

APPLICATION OF MESA PETROLEUM CO. FOR AN EXCEPTION TO ORDER NO. R-5459, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 28, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>15th</u> day of November, 1977, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That by its Order No. R-5459, entered on June 14, 1977, the Commission redefined the vertical limits of the Blanco-Mesaverde Pool, Rio Arriba and San Juan Counties, New Mexico.
- (3) That such redefinition resulted in the inclusion of "Chacra" equivalent fractured shales or siltstone zones within the vertical limits of said pool in approximately one-half of said pool north and east of a certain line traversing the pool.
 - (4) That in said Order No. R-5459 the Commission found:
 - "(17) That there are 4 wells north and east of the line defined in Finding No. 15 above and Exhibit A which may be producing from fractured shale or siltstone zones equivalent to said Chacra sands and which may or may not be connected to other producing zones in said Blanco-Mesaverde Pool." and
 - "(18) That to protect the correlative rights of the owners of said four wells, the effective date of any redefinition of the vertical limits of said Blanco-Mesaverde Pool should be delayed to provide such owners with the opportunity to bring a case for an exception before the Commission."

