

*Entered July 9, 1968
ALP*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 3795
Order No. R-3450
NOMENCLATURE

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR A POOL CREATION AND
DISCOVERY ALLOWABLE, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 26, 1968,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 9th day of July, 1968, 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 the applicant, Pan American Petroleum Corporation,
seeks the creation of a new oil pool for Yates production in Lea
County, New Mexico, and the assignment of an oil discovery allow-
able in the amount of approximately 16,750 barrels to the discovery
well.

(3) That the Pan American Petroleum Corporation-Bate Federal
Well No. 1, located in Unit N of Section 26, Township 19 South,
Range 33 East, NMPM, Lea County, New Mexico, has discovered a
separate common source of supply which should be designated the
East Gem-Yates Pool; that the vertical limits of said pool should
be the Yates formation as found on the log of the aforesaid Pan
American Petroleum Corporation-Bate Federal Well No. 1; and that

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the horizontal limits of said pool should be the S/2 of Section 26, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico.

(4) That the discovery well for the aforesaid pool, Pan American Petroleum Corporation-Bate Federal Well No. 1, located in Unit N of Section 26, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, is entitled to and should receive a bonus discovery oil allowable in the amount of 16,750 barrels, based upon the top perforations in said well at 3350 feet, to be assigned over a two-year period.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as an oil pool for Yates production, is hereby created and designated the East Gem-Yates Pool, with vertical limits comprising the Yates formation as found on the log of the discovery well, Pan American Petroleum Corporation's Bate Federal Well No. 1, located in Unit N of Section 26, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico, and horizontal limits comprising the S/2 of Section 26, Township 19 South, Range 33 East, NMPM, Lea County, New Mexico.

(2) That the aforesaid discovery well is hereby authorized an oil discovery allowable of 16,750 barrels to be assigned to said well at the rate of 23 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.


(3) That 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


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


A. L. PORTER, Jr., Member & Secretary

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