

*Entered October 19, 1966
A.P.*

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. 3298
Order No. R-1670-G-1

APPLICATION OF SUNRAY DX OIL COMPANY
FOR THE CREATION OF AN OIL AND GAS POOL
AND FOR SPECIAL POOL RULES, ROOSEVELT
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 11, 1966,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of October, 1966, 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 Order No. R-1670-G, dated October 29, 1965,
temporary Special Rules and Regulations were promulgated for the
Todd-San Andres Pool, Roosevelt County, New Mexico, superseding
the Special Rules and Regulations promulgated by Order No.
R-2666, dated March 13, 1964.

(3) That pursuant to the provisions of Order No. R-1670-G,
this case was reopened to allow the operators in the subject
pool to appear and present all available information, including
bottom hole fluid analyses, reservoir data, and interference test
results, concerning the effectiveness of the temporary Special
Rules and Regulations promulgated by Order No. R-1670-G for said
pool, particularly as they relate to the effectiveness of the

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volumetric formula established for limiting withdrawals of gas from the gas-cap area of said pool and the area which can be economically and effectively drained by one well in the subject pool.

(4) That the evidence presented indicates the formula as set forth in Order No. R-1670-G for said pool has efficiently prevented the migration and consequent loss of oil into the gas-cap area of said pool.

(5) That the evidence establishes that one gas well in the Todd-San Andres Pool can efficiently and economically drain and develop 320 acres.

(6) That the evidence establishes that one oil well in the Todd-San Andres Pool can efficiently and economically drain and develop 80 acres.

(7) That the Special Rules and Regulations promulgated by Order No. R-1670-G have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil and gas in the pool.

(8) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-1670-G should be continued in full force and effect.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Todd-San Andres Pool, promulgated by Order No. R-1670-G, are hereby continued in full force and effect until further order of the Commission.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


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

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