

(BLACK RIVER-PENNSYLVANIAN GAS POOL - Cont'd.)

IT IS THEREFORE ORDERED:

(1) That effective February 1, 1974, each well completed or recompleted in the Black River-Pennsylvanian Gas Pool or in formations of Pennsylvanian age within one mile thereof shall be subject to the provisions of Rule 104 of the Commission Rules and Regulations notwithstanding the fact said pool was created and defined prior to June 1, 1964.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Black River-Pennsylvanian Gas Pool or in the formations of Pennsylvanian age within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Artesia District office of the Commission in writing of the name and location of the well by February 15, 1974.

(2) That pursuant to Paragraph A. of Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, existing wells in the Black River-Pennsylvanian Gas Pool shall have dedicated thereto 320 acres in accordance with Rule 104 of the Commission Rules and Regulations; or pursuant to Paragraph C. of said Section 65-3-14.5, existing wells may have non-standard units dedicated thereto.

Failure to file new Forms C-102 with the Commission dedicating 320 acres to a well or to obtain a non-standard unit approved by the Commission within 60 days from the effective date of this order shall subject the well to cancellation of allowable.

(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.

NORTH SHOE BAR-STRAWN POOL
Lea County, New Mexico

Order No. R-4658, Creating and Adopting Temporary Operating Rules for the North Shoe Bar-Strawn Pool, Lea County, New Mexico, November 10, 1973, as Amended by Order No. R-4658-A, February 21, 1974.

Order No. R-4658-B, December 3, 1974, makes permanent the rules adopted in Order No. R-4658, as amended.

Application of Mesa Petroleum Company for a Dual Completion, Creation of a New Oil Pool, Assignment of a Discovery Allowable, and Special Pool Rules, Lea County, New Mexico.

CASE NO. 5082
Order No. R-4658

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a. m. on October 17, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of November, 1973, 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, Mesa Petroleum Company is the owner and operator of the Hillburn Well No. 1, located in Unit E of Section 13, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico.

(3) That said well has discovered a new and separate common source of supply in the Strawn formation, and a new pool designated the North Shoe Bar-Strawn Pool should be created and defined by the Commission.

(4) That applicants well, said Hillburn Well No. 1, has made a bona fide discovery of a new common source of supply, and should be assigned an oil discovery allowable pursuant to the provisions of Rule 509 of the Commission Rules and Regulations.

(5) That the top of the perforations in the subject well is at 11,289 feet in the Strawn formation; and that 56,445 barrels of oil discovery allowable should be assigned to the subject well.

(6) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, temporary special rules and regulations providing for 160-acre spacing units should be promulgated for the North Shoe Bar-Strawn Pool.

(7) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(8) That the temporary special rules and regulations should be established for a one-year period in order to allow the operators in the subject pool to gather reservoir information to establish the area that can be efficiently and economically drained and developed by one well.

(9) That the vertical limits of the North Shoe Bar-Strawn Pool should be the Strawn formation as found from 11,275 feet to 11,360 feet on the log of the discovery well, the aforesaid Hillburn Well No. 1; that the horizontal limits of said pool should be the NW/4 of Section 13, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico.

(10) That this case should be reopened at an examiner hearing in November, 1974, at which time the operators in the subject pool should be prepared to appear and show cause why the North Shoe Bar-Strawn Pool should not be developed on less than 160-acre spacing units.

(11) That applicant's request that the dual completion portion of its application be dismissed should be approved.

IT IS THEREFORE ORDERED:

(1) That the dual completion portion of the subject application is hereby dismissed.

(2) That a new pool for Strawn oil production be and the same is hereby created and designated the North Shoe Bar-Strawn with vertical limits defined as being the Strawn formation as found from 11,275 feet to 11,360 feet on the log of the discovery well, the Mesa Petroleum Company Hillburn Well No. 1, located in Unit E of Section 13, Township 16 South, Range 35 East, NMPM.