

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. 226  
ORDER NO. R-238

THE APPLICATION OF THE NEW  
MEXICO OIL CONSERVATION COM-  
MISSION, UPON ITS OWN MOTION,  
FOR THE GENERAL REVIEW, RE-  
STATEMENT AND/OR AMENDMENT OF  
ANY AND ALL PARAGRAPHS OF RULE  
104 PROMULGATED BY ORDER 850,  
EFFECTIVE JANUARY 1, 1950, AND  
SET OUT WITHIN RULES AND REGUL-  
ATIONS EFFECTIVE JANUARY 1, 1950.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing on July 6, 1950 at 10:00 o'clock  
a. m. at Santa Fe, New Mexico, before the Oil Conservation Commission of  
New Mexico, hereinafter referred to as the "Commission".

NOW, on the 29<sup>th</sup> day of December, 1952, the Commission, a  
quorum being present, having considered the testimony adduced at the hearing  
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 there is need for a revision of Paragraphs (a), (b), (c),  
(d) and (e) of Rule 104 of the Commission's Rules and Regulations.

IT IS THEREFORE ORDERED:

That Paragraphs (a), (b), (c), (d) and (e) of Rule 104 of the Com-  
mission's Rules and Regulations be and the same hereby are amended and  
revised as follows:

**RULE 104. WELL SPACING; ACREAGE REQUIREMENTS  
FOR DRILLING TRACTS**

- (a) Any well drilled a distance of one mile or more from  
the outer boundary of any defined oil or gas pool shall  
be classified as a wildcat well. Any well drilled less  
than one mile from the outer boundary of a defined oil  
or gas pool shall be spaced, drilled, operated and pro-  
rated in accordance with the regulations in effect in  
said oil or gas pool.

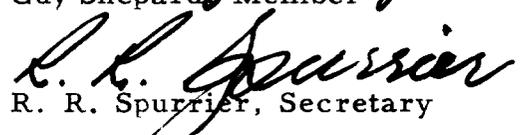
- (b) Any well classified as a wildcat shall be located on a tract of not less than 40 surface contiguous acres substantially in the form of a square which is a quarter quarter section or lot being a legal subdivision of the U. S. Public Land Survey and shall be within 100 feet of the center of the 40-acre subdivision, except in San Juan, Rio Arriba and McKinley Counties where a wildcat well shall be located on not less than 160 surface contiguous acres substantially in the form of a square which is a quarter section or lot being a legal subdivision of the U. S. Public Land Survey and shall not be located closer than 660 feet to the outer boundaries nor closer than 330 feet to the inner boundaries of the governmental quarter quarter section upon which it is drilled.
- (c) Each well drilled within a defined oil pool shall be located on a tract consisting of approximately 40 surface contiguous acres substantially in the form of a square which is a legal subdivision of the U. S. Public Land Surveys or on a governmental quarter quarter section or lot and shall not be drilled closer than 330 feet to any boundary line of such tract or closer than 660 feet to the nearest well drilling to or capable of producing from the same pool.
- (d) Each well drilled within a defined gas pool shall be located on a tract consisting of not less than a quarter section of approximately 160 surface contiguous acres substantially in the form of a square which shall be a legal subdivision (quarter section) of the U. S. Public Land Surveys and shall not be drilled closer than 660 feet to any outer boundary line of the tract nor closer than 330 feet to any quarter quarter section or subdivision inner boundary nor closer than 1320 feet to a well drilling to or capable of producing from the same pool.
- (e) Notice of Intention to Drill (Form C-101) for any well shall designate the exact legal subdivisions allotted to the well and no C-101 shall be approved by the Commission or any of its agents without proper designation of acreage.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

Edwin L. Mechem, Chairman

  
Guy Shepard, Member

  
R. R. Spurrier, Secretary

