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. 1637 Order No. R-1389

APPLICATION OF THE ATLANTIC REFINING COMPANY FOR AN ORDER COMBINING THE ALLISON-PENNSYLVANIAN AND NORTH ALLISON-PENNSYLVANIAN POOLS, LEA AND ROOSEVELT COUNTIES, NEW MEXICO, AND FOR THE PROMULGATION OF SPECIAL RULES AND REGULATIONS THEREFOR TO PROVIDE FOR 80-ACRE PRORATION UNITS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 15, 1959, at Hobbs, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this day of May, 1959, the Commission, a quorum being present, having considered the application and the evidence adduced 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, The Atlantic Refining Company, seeks an order combining the Allison-Pennsylvanian Pool and the North Allison-Pennsylvanian Pool, Lea and Roosevelt Counties. New Mexico.
- (3) That the applicant further seeks the promulgation of special rules and regulations for said pool to provide for 80-acre proration units.
- (4) That at this stage of development an order combining the said Allison-Pennsylvanian Pool with the said North Allison-Pennsylvanian Pool would be premature.
- (5) That the applicant has failed to prove that the Allison-Pennsylvanian Pool and the North Allison-Pennsylvanian Pool can be efficiently drained and developed on an 80-acre spacing pattern.

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- (6) That the said Allison-Pennsylvanian Pool has thus far been developed on a 40-acre spacing pattern.
- (7) That continued development of said pools on 40-acre proration units will not cause the drilling of unnecessary wells.
- (8) That the drilling and spacing of wells in the Allison-Pennsylvanian Pool and in the North Allison-Pennsylvanian Pool should continue to be governed by Rule 104 of the Commission Rules and Regulations.
 - (9) That the application should be denied.

IT IS THEREFORE ORDERED:

- (1) That the application of The Atlantic Refining Company for an order combining the Allison-Pennsylvanian Pool and the North Allison Pennsylvanian Pool, Lea and Roosevelt Counties, New Mexico, be and the same is hereby denied.
- That the application of The Atlantic Refining Company for the promulgation of special rules and regulations for said pools, be and the same is hereby denied.
- (3) That the drilling and spacing of wells in the said pools shall continue to be governed by Rule 104 of the Commission Rules and Regulations.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

