

1 -3-  
2 CASE NO. 5286  
3 Order No. R-

4 (13) That the applicant presented potential tests purporting  
5 to demonstrate that certain lease line wells had experienced  
6 such a response.

7 (14) That without bottom-hole pressure test data, such  
8 potential tests are inconclusive and subject to <sup>could be</sup> mis-  
9 <sup>in the absence of a</sup> interpretation.

10 (15) That ~~without~~ <sup>in the absence of a</sup> adequate bottom-hole pressure test data,  
11 the assignment of up to 240 barrels per day of allowable to  
12 project lease line wells could result in drainage from outside  
13 the project <sup>area</sup> into the project <sup>area</sup> thereby violating the correlative  
rights of offsetting operators.

14 (16) That the offset operators objected to the assignment  
15 of additional allowable to the project and the assignment of  
16 up to 240 barrels per day allowable to lease line wells in the  
17 project.

18 (17) That in order to ~~prevent waste and~~ protect correlative  
19 rights the subject application should be denied.

20 IT IS THEREFORE ORDERED:

21 (1) That the application of Texaco Inc. for the assignment  
22 of an additional 2320 barrels per day <sup>of project allowable</sup> and the assignment of  
23 up to 240 barrels per day to lease line wells in applicant's  
24 Vacuum Grayburg-San Andres Unit Pressure Maintenance Project is  
25 hereby denied.

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

28 DONE at Santa Fe, New Mexico, on the day and year herein-  
29 above designated.

30 (17) That the evidence presented was insufficient to  
31 show that waste would occur in the project  
32 if the additional allowable requested ~~was~~ is not  
assigned to the project.

(18) That the evidence presented was insufficient  
to show that the applicant's correlative  
rights would be adversely affected  
if the ~~earlier~~ production from lease  
line project wells is limited to  
80 barrels of oil per day.

Case No.

5287

Large Exhibits