

CASE 4738:

SOUTHEASTERN NEW MEXICO
NOMENCLATURE

Case Number
4738

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

June 16, 1972

EXAMINER HEARING

IN THE MATTER OF:

Southeastern nomenclature case calling
for an order for the extension of
certain pools in Lea County, New
Mexico.

CASE 4738

BEFORE: A. L. Porter, Jr.
Examiner

Alex Armijo
Examiner

TRANSCRIPT OF HEARING

1 MR. PORTER: Case 4738.

2 MR. HATCH: Southeastern nomenclature case
3 calling for an order for the extension of certain pools in
4 Lea County, New Mexico.

5 * * * * *

6 J.D. RAMEY,
7 was called as a witness and, after being duly sworn, testified
8 as follows:

9 DIRECT EXAMINATION

10 BY MR. HATCH:

11 Q Would you state your name and position for the record,
12 please?

13 A Joe D. Jamey, supervisor for the Commission in
14 District I in Hobbs, New Mexico.

15 Q Are you prepared to make certain recommendations to
16 the Commission regarding the extension of certain
17 pools in Lea County, New Mexico?

18 A Yes, sir.

19 Q Are your recommendations prepared in the form of an
20 Exhibit?

21 A Yes, Exhibit 1, paragraphs (a) through (e).

22 Q Referring you to Exhibit 1, will you point out any
23 differences from Exhibit 1 and the Docket.

24 A There are no differences, it is exactly as advertised
25 on the Docket.

1 Q Then do you recommend that the pools in paragraphs
2 (a) through (e) be extended, as shown on Exhibit 1
3 and in the Docket that has been distributed?

4 A Yes, I do.

5 Q Was Exhibit 1 prepared by you or by some member of
6 the Commission staff?

7 A Yes, it was.

8 MR. HATCH: I would like to move for the
9 introduction of Exhibit 1.

10 MR. PORTER: With no objection, Exhibit 1 will
11 be admitted.

12 (Whereupon Commission Exhibit 1 was admitted
13 in evidence.)

14 MR. PORTER: Mr. Ramey, I notice the nomenclature
15 case is much shorter than usual, is this an indication
16 that drilling has declined in SE New Mexico?

17 A I think drilling is down somewhat, but we didn't --
18 I think Mr. Gressett didn't send us anything this time.
19 I think he is overworked over there and didn't have
20 time to prepare the nomenclature cases.

21 MR. PORTER: If there are no further questions,
22 the witness may be excused.

23 (Witness excused.)

24 MR. PORTER: Is there anything further to be
25 offered in Case 4738?

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

(No response.)

MR. PORTER: The Case will be taken under
advisement.

dearnley, meier & mc cormick

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6891 • ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, RICHARD E. McCORMICK, a Certified Shorthand Reporter,
in and for the County of Bernalillo, State of New Mexico,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me; and that the same is a true and correct
record of the said proceedings to the best of my knowledge,
skill and ability.



CERTIFIED SHORTHAND REPORTER

I N D E X

WITNESS:

PAGE

J. D. RAMEY

Direct Examination by Mr. Hatch

3

E X H I B I T S

COMMISSION'S

OFFERED

ADMITTED

Exhibit Number 1

3

4

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. 4738
Order No. R-4329

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION UPON
ITS OWN MOTION FOR AN ORDER
EXTENDING CERTAIN POOLS IN
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on June 16, 1972, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 22nd day of June, 1972, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said 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 certain extensions to the Flying "M"-San Andres Pool, the Hobbs-Drinkard Pool, the Teague-Blinebry Pool, the Tres Papalotes-Pennsylvanian Pool, and the Vada-Pennsylvanian Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That the Flying "M"-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 31: SW/4

(b) That the Hobbs-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 4: NE/4

-2-
CASE NO. 4738
Order No. R-4329

(c) That the Teague-Blinebry Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

(d) That the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 4: NW/4
Section 5: NE/4

(e) That the Vada-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 17: NW/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all extensions included herein shall be July 1, 1972.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman

ALEX J. ARMISTO, Member

A. L. PORTER, Jr. Member & Secretary

DOCKET: REGULAR HEARING - FRIDAY - JUNE 16, 1972

OIL CONSERVATION COMMISSION - 9 A.M. MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for July and August, 1972;
- (2) Consideration of the allowable production of gas for July, 1972, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for July, 1972; also presentation of purchaser's nominations for the period commencing August 1, 1972, and ending December 31, 1972, for that area.

CASE 4737: In the matter of the hearing called by the Oil Conservation Commission on its own motion for the amendment of certain rules and regulations of the Commission pertaining to oil proration.

The Commission will consider the amendment of Rules 503, 505, 701-E, 1104, and 1121 to establish depth bracket allowables for the oil pools of New Mexico based on a 100 percent market demand factor; to adopt a procedure for the establishment of market demand factors of less than 100 percent when necessary; to permit the adoption of special depth bracket allowables of more than or less than the regular depth bracket allowables for pools after notice and hearing; to provide for the issuance of oil proration schedules and supplements thereto as necessary; and to consider the assignment of the applicable depth bracket allowable to those pools for which special proportional factors for allowable purposes have been assigned.

CASE 4557: (De Novo) This case will be continued.
Application of Continental Oil Company for transfer of allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to transfer allowable across boundaries of the participating area and the leases outside said area, but within the Maljamar Co-operative Area, MCA Unit Area, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.

Upon application of Continental Oil Company, this case will be heard De Novo under the provisions of Rule 1220

* * * * *

CASE 4738: Southeastern nomenclature case calling for an order for the extension of certain pools in Lea County, New Mexico.

(a) Extend the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMFM
SECTION 31: SW/4

(Case 4738 continued)

(b) Extend the Hobbs-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
SECTION 4: NE/4

(c) Extend the Teague-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
SECTION 34: NE/4

(d) Extend the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
SECTION 4: NW/4
SECTION 5: NE/4

(e) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
SECTION 17: NW/4

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

PROPOSED CHANGES IN COMMISSION SERIES 500 RULES GOVERNING
OIL PRORATION AND ALLOCATION

RULES 501 AND 502: NO CHANGE

RULE 503. AUTHORIZATION FOR PRODUCTION OF OIL

(a) Except as provided below, the daily top unit allowable for any oil pool shall be 100 percent of the depth bracket allowable for the pool determined pursuant to the provisions of Rule 505.

(b) Every other month the Commission shall, within five days prior to the end of the month, make a determination as to the likelihood of the total producing capacity of all oil wells in the state being in excess of anticipated reasonable market demand for crude petroleum oil from this state.

If the Commission determines that such capacity may be in excess of the anticipated reasonable market demand, and that a market demand factor of less than 100 percent may be necessary to prevent waste, then it shall immediately institute proper proceedings for a hearing to be held before the 20th day of the following month to determine actual reasonable market demand for the next two succeeding months.

(c) At said hearing the Commission shall consider all evidence of market demand for crude petroleum oil from this state, and if it is determined that the market demand percentage factor should be less than 100 percent, an order shall be issued establishing the market demand factor for the ensuing two-month period and setting a date for the next market demand hearing.

(d) The market demand factor thus established shall be multiplied by the applicable depth bracket allowable for each well and each pool to determine its top unit allowable. Any fraction of a barrel shall be regarded as a full barrel in determining top unit allowable.

Upon initial establishment of a market demand factor, and from time to time thereafter, the Commission shall issue a proration schedule authorizing the production of oil from the various proration units in the various pools in the state. Any well completed or recompleted after the issuance of said schedule and for which Form C-104 has been approved, shall, by supplement to the schedule, be authorized a daily allowable equal to the ability of the well to produce up to and including the top unit allowable in effect. The allowable for such well shall become effective at 7:00 a.m. on the date of completion, provided Form C-104 is submitted and approved within ten days following date of completion; otherwise

the allowable shall be effective on the date the C-104 is approved. (As provided in Rule 1104, "date of completion" is the date when new oil is delivered into the stock tanks.)

(e) A non-marginal unit is defined as being a proration unit which is capable of producing top unit allowable for the pool in which it is located and to which has been assigned a top unit allowable. Any such non-marginal unit shall be permitted to produce said top unit allowable without waste and subject to the provisions of Rules 301, 502, and 506, and all other applicable rules. Top unit allowable will be assigned only to those units which by tests have demonstrated their ability to produce top unit allowable.

A marginal unit is defined as being a proration unit which is incapable of producing top unit allowable for the pool in which it is located as evidenced by well test, production history, or other report or form filed by the operator with the Commission. Any such marginal unit shall be permitted to produce any amount of oil which it is capable of producing without waste up to top unit allowable for the pool, subject to the provisions of Rules 301, 502, and 506, and all other applicable rules, provided that an allowable has been assigned to the unit to authorize such production.

A penalized unit is defined as being a proration unit to which, because of an excessive gas-oil ratio, an allowable has been assigned which is less than top unit allowable for the pool and also less than the ability of the well(s) on the unit to produce. Such penalized allowable shall be determined in accordance with the procedure set forth in Rule 506. In calculating a penalized allowable, any fraction of a barrel shall be regarded as a full barrel.

(f) Any change in the allowable assigned to any unit--non-marginal, marginal, or penalized, shall be accomplished through issuance of a new proration schedule or by supplement to a previously issued proration schedule. A periodic tabulation of all supplements to the current proration schedule shall be made and distributed by the Commission.

(g) The provisions of Rule 104(H) et seq. shall be adhered to in fixing top unit allowables.

(h) Same as 503(f) at present; no change.

RULE 504. NO CHANGE

RULE 505. DEPTH BRACKET ALLOWABLES

(a) Subject to the market demand percentage factor determined pursuant to the provisions of Rule 503, the daily oil allowable for each oil pool in the state shall be equal to the appropriate depth bracket allowable below. The depth of the casing

shoe or the top perforation in the casing, whichever is higher, in the first well completed in the pool shall determine the depth classification for the pool. Daily oil allowables for each of the several ranges of depth and spacing patterns shall be as follows:

POOL DEPTH RANGE	DEPTH BRACKET ALLOWABLE		
	40 Acres	80 Acres	160 Acres
0 to 4,999 feet	80 bbls.	160 bbls.	
5,000 to 5,999 "	107 "	187 "	347 bbls.
6,000 to 6,999 "	142 "	222 "	382 "
7,000 to 7,999 "	187 "	267 "	427 "
8,000 to 8,999 "	230 "	310 "	470 "
9,000 to 9,999 "	275 "	355 "	515 "
10,000 to 10,999 "	320 "	400 "	560 "
11,000 to 11,999 "	365 "	445 "	605 "
12,000 to 12,999 "	410 "	490 "	650 "
13,000 to 13,999 "	455 "	535 "	695 "
14,000 to 14,999 "	500 "	580 "	740 "
15,000 to 15,999 "	545 "	625 "	785 "
16,000 to 16,999 "	590 "	670 "	830 "
17,000 to 17,999 "	635 "	715 "	875 "

(b) The 40-acre depth bracket allowables shall apply to all undesignated wells not governed by special pool rules and to all pools developed on the normal 40-acre statewide spacing unit.

(c) The 80-acre and 160-acre depth bracket allowables shall apply to wells governed by applicable special pool rules promulgated by the Commission as an exception to the normal 40-acre statewide spacing unit.

(d) The Commission may, where the same is deemed advisable, assign to a given pool a special depth bracket allowable at variance to the depth bracket allowable normally assigned to a pool of similar depth and spacing. Such special allowable may be more or less than the regular depth bracket allowable and shall be assigned only after notice and hearing.

In assigning a lesser than regular depth bracket allowable, the Commission may consider, among other pertinent factors, reservoir damage, casinghead gas production and disposition, water production and disposition, transportation facilities, the prevention of surface or underground waste, and the protection of correlative rights.

Assignment of a greater than regular depth bracket allowable shall be made only after sufficient reservoir information is available to ensure that said allowable can be produced without damage to the reservoir and without causing surface or underground waste. The Commission shall also consider the availability of crude oil transportation and marketing facilities, casinghead gas transportation, processing, and marketing facilities, water disposal

facilities, the protection of correlative rights, and other pertinent factors.

RULES 506, 507, 508, AND 509: NO CHANGE

In addition, certain non-substantive changes in various rules and definitions would be required in order to adapt the wording thereof to these proposed rules and procedures.

NOMENCLATURE ADVERTISEMENT FOR JUNE, 1972

CASE 4738

In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the extension of certain existing pools in Lea County, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to appear and show cause why such extensions should not be made.

a) EXTEND the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
SECTION 31: SW/4

b) EXTEND the Hobbs-Drinkard Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
SECTION 4: NE/4

c) EXTEND the Teague-Blinebry Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
SECTION 34: NE/4

d) EXTEND the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
SECTION 4: NW/4
SECTION 5: NE/4

e) EXTEND the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
SECTION 17: NW/4

CASE 4738: (a) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL FLYING "M"-SAN ANDRES

TOWNSHIP 9 South

RANGE 33 East

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: One completed oil well capable of producing.

BELCO PETROLEUM CORPORATION - Federal "31" #1 in Unit N of Section 31-9-33. Completed in San Andres on March 20, 1972. Top of Perforations 4176'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 31: SW/4

CASE 4738: (b) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL HOBBS-DRINKARD

TOWNSHIP 19 South						RANGE 38 East						NMPM					
6		5		4		3		2		1							
7		8		9		10		11		12							
18		17		16		15		14		13							
19		20		21		22		23		24							
30		29		28		27		26		25							
31		32		33		34		35		36							

PURPOSE: One completed oil well capable of producing.

AMOCO PRODUCTION COMPANY - Byers B #34 in Unit B of Section 4-19-38.

Completed in Drinkard on April 26, 1972. Top of Perforations 6861'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 4: NE/4

CASE 4738: (c) EXTENSION OF AN EXISTING OIL POOL

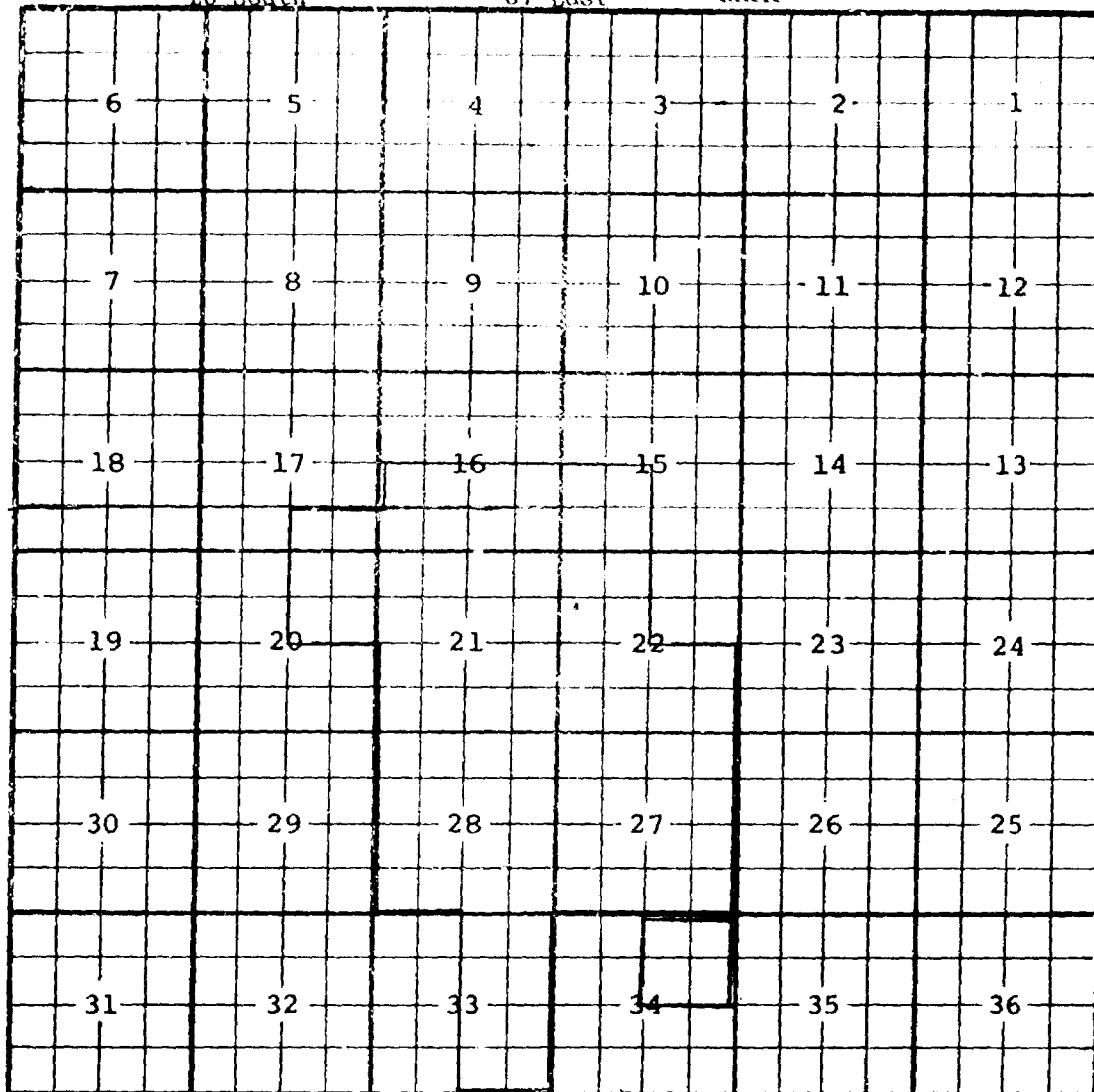
COUNTY LEA

POOL TEAGUE-BLINEBRY

TOWNSHIP 23 South

RANGE 37 East

NMPM



PURPOSE: One completed oil well capable of producing.

CARTER FOUNDATION PRODUCTION COMPANY - E. C. Hill MB #2 in Unit B of Section 34-23-37. Completed in Blinebry on April 24, 1972. Top of Perforations 5457'.

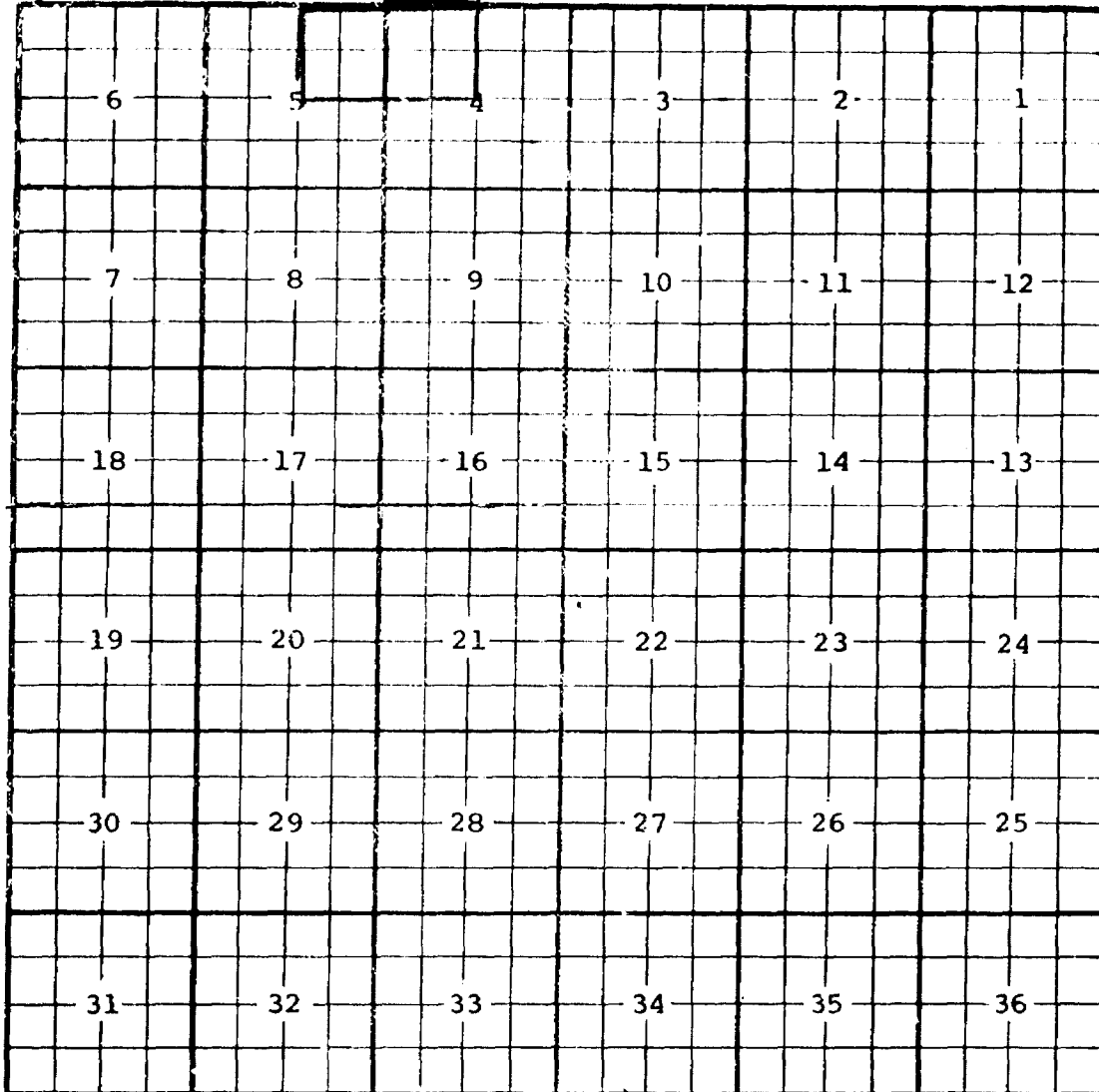
Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 34: NE/4

CASE 4738: (d) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL TRES PAPALOTES-PENNS ANIAN

TOWNSHIP 15 South RANGE 34 East NMFM



PURPOSE: One completed oil well capable of producing.

C. W. TRAINER - Etcheverry Com #1 in Unit A of Section 5-15-34. Completed in Pennsylvanian on December 14, 1971. Top of Perforations 10,460'.

Pool boundary colored in red.

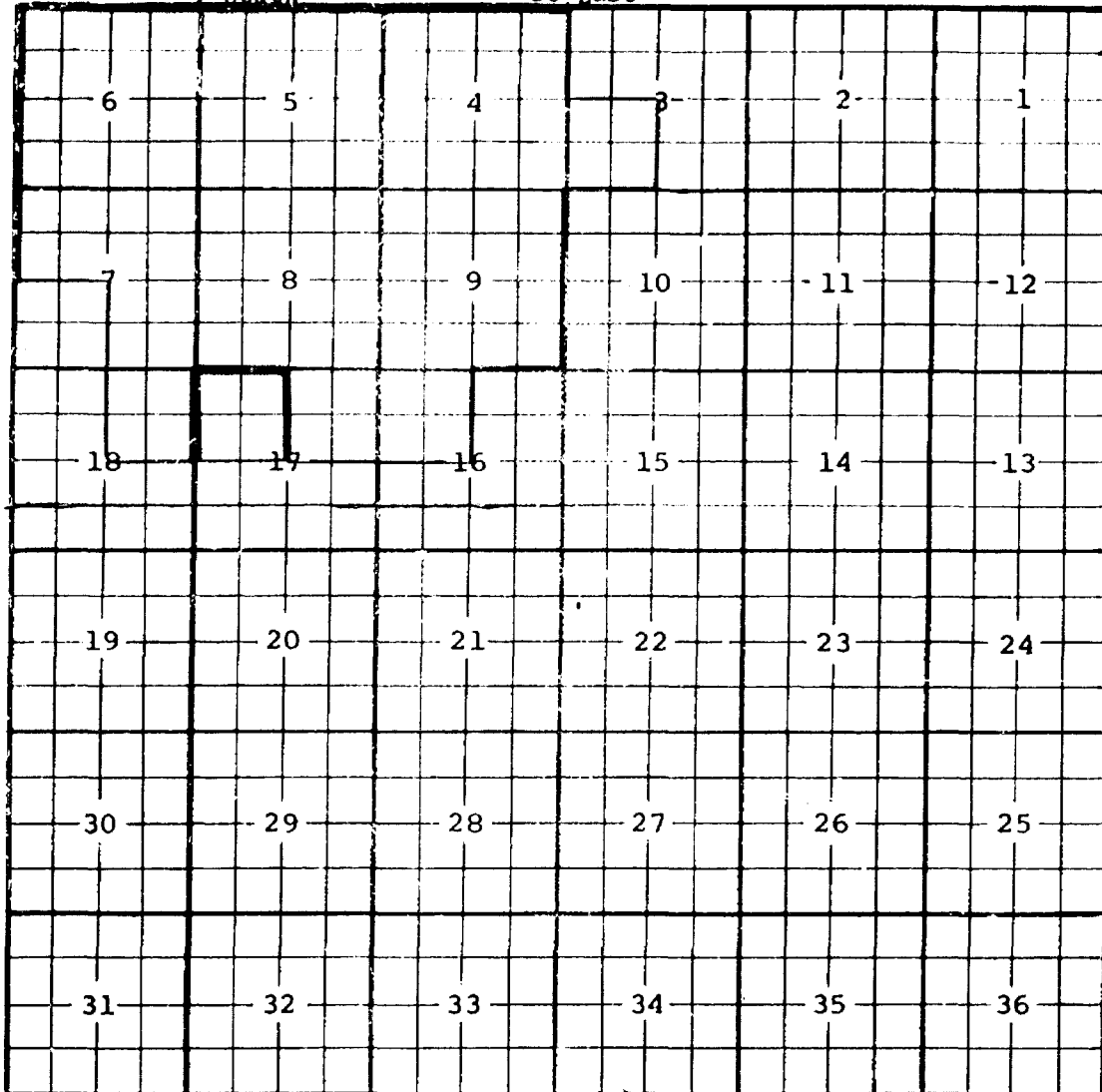
Proposed pool extensions colored in green. SECTION 4: NW/4

SECTION 5: NE/4

CASE 4738: (e) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL VADA-PENNSYLVANIAN

TOWNSHIP 9 South RANGE 36 East NMPM



PURPOSE: One completed oil well capable of producing.

JACK L. McCLELLAN - Ann Fee #1 in Unit F of Section 17-9-36. Completed in Bough C on March 9, 1972. Top of Perforations 9686'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 17: NW/4

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. 4738
ORDER NO. R- 4329

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER EXTENDING CERTAIN POOLS IN LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on June 16, 1972, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this day of June, 1972, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said 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 certain extensions to the Flying "M"-San Andres Pool, the Hobbs-Drinkard Pool, the Teague-Blinebry Pool, the Tres Papalotes-Pennsylvanian Pool, and the Vada-Pennsylvanian Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That the Flying "M"-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
SECTION 31: SW/4

(b) That the Hobbs-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
SECTION 4: NE/4

(c) That the Teague-Blinebry Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
SECTION 34: NE/4

(d) That the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
SECTION 4: NW/4
SECTION 5: NE/4

(e) That the Vada-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
SECTION 17: NW/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all extensions included herein shall be July 1, 1972.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX ARMIJO, Member

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

S E A L