

*Entered June 13, 1957
A.L.P.*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1257
Order No. R-1012

APPLICATION OF GREAT WESTERN DRILLING
COMPANY FOR AN ORDER PROMULGATING
PERMANENT POOL RULES FOR THE SOUTH
CARTER-SAN ANDRES POOL IN LEA COUNTY,
NEW MEXICO, FOR THE PURPOSE OF ESTABLISH-
ING THE ALLOWABLE FOR SAID POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 16, 1957, at Hobbs, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 10th day of June, 1957, 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 Commission did, by Order R-691, create and define the South Carter-San Andres Pool in Lea County, New Mexico, said pool being classified as an oil pool for the production of oil from the San Andres formation with the following horizontal limits:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM
Section 8: N/2

(3) That the South Carter-San Andres Pool in Lea County, New Mexico, is contiguous with the Carter-New Mexico (San Andres) Field in Gaines County, Texas, and that drainage across the state line will result if production allowables in that portion of the common source of supply lying within the State of New Mexico are not commensurate with production allowables in that portion of the common source of supply lying within the State of Texas.

(4) That the Commission should each month establish a top unit allowable for the South Carter-San Andres Pool in Lea

county, New Mexico, said allowable to be effective from 7 o'clock a.m. Mountain Standard Time on the first day of the first succeeding month until 7 o'clock a.m. Mountain Standard Time on the first day of the next succeeding month. In fixing the allowable for the aforesaid South Carter-San Andres Pool, the Commission may consider, among other things, the current month's production allowable for non-marginal forty-acre units producing from that portion of the common source of supply lying outside the State of New Mexico.

(5) That the establishment of the normal unit allowable for the South Carter-San Andres Pool in Lea County, New Mexico, in the above-described manner will be in the best interests of conservation, will provide for the recovery of oil in an efficient manner, and will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Great Western Drilling Company for an order promulgating special pool rules for the South Carter-San Andres Pool in Lea County, New Mexico, be and the same is hereby approved.

(2) That the vertical limits of the South Carter-San Andres Pool shall consist of the San Andres formation, and the horizontal limits of said pool shall be that area described in Exhibit "A" attached hereto and made a part hereof.

IT IS FURTHER ORDERED:

That special pool rules applicable to the South Carter-San Andres Pool in Lea County, New Mexico, be and the same are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS FOR THE
SOUTH CARTER-SAN ANDRES POOL

(1) Prior to the first day of each month hereafter, the Commission shall establish, for the following proration month, a special forty-acre top unit allowable for the South Carter-San Andres Pool in Lea County, New Mexico, to be effective at 7 o'clock a.m. Mountain Standard Time on the first day of each proration month.

(2) In establishing said special allowable for the ensuing proration month, the Commission may consider, among other things, the total current production allowable assigned to forty-acre non-marginal wells in the Carter-New Mexico (San Andres) Field in Gaines County, Texas.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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

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-3-
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Order No. R-1012

EXHIBIT "A"

Horizontal Limits of the South Carter-San Andres Pool:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM
Section 8: N/2