

Entered May 12, 1958

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. 1294
Order No. R-1053-A

APPLICATION OF AMBASSADOR OIL
CORPORATION, ET AL. FOR AN ORDER
AUTHORIZING CAPACITY PRODUCTION
FOR CERTAIN WELLS WITHIN ITS WATER
FLOOD PROJECT IN THE CAPROCK-QUEEN
POOL IN CHAVES AND LEA COUNTIES,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 7, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 7th day of May, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, 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 Ambassador Oil Corporation, Graridge Corporation, Gulf Oil Corporation, and Great Western Drilling Company are the owners of certain properties situated within the pilot water flood project area in the Queen formation of the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, which pilot water flood project was authorized by Order No. R-1053, dated September 16, 1957.

(3) That said pilot water flood project has caused an increase in the producing capacity of the following described wells in the pilot area to the extent that they are now or soon may be capable of producing in excess of the top unit allowable for the Caprock-Queen Pool, to-wit:

		<u>S.</u>	<u>T.</u>	<u>R.</u>
Ambassador Oil Corporation State "H" #1	SWSE	1	13S	31E
Ambassador Oil Corporation State "D" #1	NESW	1	13S	31E

		S.	T.	R.
Ambassador Oil Corporation State "L" #1	SWSW	1	13S	31E
Ambassador Oil Corporation State "G" #1	NENE	11	13S	31E
Ambassador Oil Corporation State "M" #2	SWNW	12	13S	31E
Ambassador Oil Corporation State "J" #1	NENE	12	13S	31E
Graridge Corporation Malco State "F" #3	NESE	1	13S	31E
Graridge Corporation Malco State "E" #1	SWNE	1	13S	31E
Graridge Corporation Livermore State "J" #3	SWSW	6	13S	32E
Great Western Drilling Co. State "L" #2	NESW	12	13S	31E
Great Western Drilling Co. Maxwell St. "G" #1	SWNE	12	13S	31E
Gulf Oil Corporation Chaves State "A" #1	NENW	12	13S	31E

all in the Caprock-Queen Pool, Chaves and Lea Counties, New Mexico.

(4) That the preponderance of the evidence presented in this case indicates that waste would occur if the production from the above-described wells were restricted.

(5) That the above-described wells should be permitted to produce at capacity.

IT IS THEREFORE ORDERED:

(1) That the following described wells be assigned an allowable equal to their capacity to produce, to-wit:

		S.	T.	R.
Ambassador Oil Corporation State "H" #1	SWSE	1	13S	31E
Ambassador Oil Corporation State "D" #1	NESW	1	13S	31E
Ambassador Oil Corporation State "L" #1	SWSW	1	13S	31E
Ambassador Oil Corporation State "G" #1	NENE	11	13S	31E
Ambassador Oil Corporation State "M" #2	SWNW	12	13S	31E
Ambassador Oil Corporation State "J" #1	NENE	12	13S	31E
Graridge Corporation Malco State "F" #3	NESE	1	13S	31E
Graridge Corporation Malco State "E" #1	SWNE	1	13S	31E
Graridge Corporation Livermore State "J" #3	SWSW	6	13S	32E
Great Western Drilling Co. State "L" #2	NESW	12	13S	31E
Great Western Drilling Co. Maxwell St. "G" #1	SWNE	12	13S	31E
Gulf Oil Corporation Chaves State "A" #1	NENW	12	13S	31E

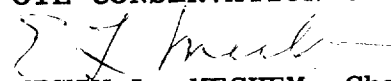
all in the Caprock-Queen Pool, Chaves and Lea Counties, New Mexico.

(2) That this order shall become effective at 7 o'clock a.m. Mountain Standard Time, May 8, 1958.

(3) That the Commission hereby retains jurisdiction in this cause to amend or revoke all or any part of this order and further to enter any additional order or orders deemed necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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

S E A L

