

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CASE NO. 376
ORDER NO. R-174

THE APPLICATION OF BUFFALO OIL
COMPANY FOR AN ORDER EXCEPTING
ALL WELLS IN THE MALJAMAR-PADDOCK
POOL, LEA COUNTY, NEW MEXICO, FROM
THE LIMITING GAS-OIL RATIO ESTABLISHED
BY RULE 506 (a) OF THE RULES AND
REGULATIONS OF THE OIL CONSERVATION
COMMISSION

ORDER OF THE COMMISSION

BY THE COMMISSION

This cause came on for hearing at 9:00 a. m. on June 19, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 16 day of July, 1952, the Commission, a quorum being present, having considered the records and the testimony adduced, and being fully advised in the premises,

FIND:

(1) That due notice having been given as required by law, the Commission has jurisdiction of the case and the persons and subject matter thereof.

(2) That to date there have been ten wells drilled to the Paddock pay in the Maljamar-Paddock pool; that of these ten wells three are producing oil wells and seven were drilled as dry holes.

(3) That Buffalo Oil Company is the owner and operator of all three producing wells.

(4) That the ten wells which have been drilled have defined the limits of the pool.

(5) That due to the characteristics of the Maljamar-Paddock reservoir, the gas-oil ratio on tow of the producing wells has been steadily increasing.

(6) That a gas-oil ratio limitation of 2000 in the Maljamar-Paddock pool is conducive to waste inasmuch as this limitation, which, under existing conditions, limits production, would lead to an early abandonment date.

(7) That the gas produced is utilized at the Maljamar Cooperative Repressuring Agreement plant and the additional gas produced by removal of the gas-oil ratio limitation would therefore not be wasted.

IT IS THEREFORE ORDERED

That the application of the Buffalo Oil Company for removal of the gas-oil ratio limitation in the Maljamar-Paddock pool, be, and the same hereby is approved;

PROVIDED, HOWEVER

That the operators of all wells in the pool shall comply with the provisions of Rule 301 of the Commission's Rules and regulations and shall submit an annual gas-oil ratio test of each well on Form C-116,

IT IS FURTHER ORDERED:

That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing, the Commission may terminate the authority hereby granted.

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

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

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