

Entered January 3, 1962
W.D.

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. 2119
Order No. R-1827-A

IN THE MATTER OF THE APPLICATION
OF THE OHIO OIL COMPANY FOR THE
ESTABLISHMENT OF 80-ACRE OIL PRO-
RATION UNITS IN THE LEA-BONE
SPRINGS POOL, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 13, 1961, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 21st day of December, 1961, 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 by Order No. R-1827 entered in Case No. 2119 on December 8, 1960, the Commission adopted temporary special rules and regulations for the Lea-Bone Springs Pool in Lea County, New Mexico, and provided that the case be reopened at the regular Commission hearing in December, 1961, at which time operators in the subject pool were to appear and show cause why the pool should not be developed on 40-acre proration units.

(3) That the evidence presented in the reopened case indicates that the Lea-Bone Springs Pool can be efficiently and economically drained and developed on 80-acre proration units.

(4) That to require development of the subject pool on 40-acre proration units might cause the drilling of unnecessary wells.

(5) That development of the subject pool on 80-acre proration units will not cause waste.

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(6) That the applicant, The Ohio Oil Company, proposes that Rule 3 of the special rules and regulations promulgated for the subject pool allow the initial well on any 80-acre unit to be located within 150 feet of the center of either the NW/4 or the SE/4 of the quarter section on which the well is located.

(7) That the temporary special rules and regulations, excluding Rule 3, promulgated for the subject pool by Order No. R-1827, should be made permanent.

(8) That Rule 3 of the special rules and regulations for the subject pool should be amended and, as amended, should be made permanent.

IT IS THEREFORE ORDERED:

(1) That the temporary special rules and regulations, excluding Rule 3, promulgated for the Lea-Bone Springs Pool by Order No. R-1827, entered in Case No. 2119 on December 8, 1960, are hereby made permanent.

(2) That Rule 3 of the special rules and regulations for the subject pool is hereby amended as follows and, as amended, is hereby made permanent:

"RULE 3: The initial well on any 80-acre unit in said pool shall be located within 150 feet of the center of any quarter-quarter section on which the well is located. Any well which was completed in the Lea-Bone Springs Pool or which was drilling to the Bone Springs formation within one mile of said pool prior to January 1, 1961, is granted an exception to the well location requirements of this rule."

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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

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