

Entered September 11, 1961
W.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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2355
Order No. R-2051

APPLICATION OF H. L. BROWN, JR.
AND CLEM E. GEORGE FOR ESTABLISH-
MENT OF SPECIAL RULES AND REGULA-
TIONS FOR THE BLUITT-WOLFCAMP GAS
POOL, ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 9, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 29th day of August, 1961, 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 the applicants, H. L. Brown, Jr. and Clem E. George, seek the establishment of Special Rules and Regulations in the Bluit-Wolfcamp Gas Pool, Roosevelt County, New Mexico, including a provision for 320-acre units in said pool.

(3) That the evidence available at this time indicates that it may be uneconomical to drill wells in said pool on 160-acre units.

(4) That development of the subject pool will be encouraged by development on 320-acre units.

(5) That this case should be reopened in August, 1962, at which time the applicants should be permitted to appear, and, by pressure interference tests or such other tests as may be conducted, show cause why the subject pool should not be developed on 160-acre units.

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IT IS THEREFORE ORDERED:

(1) That Temporary Special Rules and Regulations for the Bluit-Wolfcamp Gas Pool, Roosevelt County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
BLUIT-WOLFCAMP GAS POOL

RULE 1. Each well completed or recompleted in the Wolfcamp formation within one mile of the boundary of the Bluit-Wolfcamp Gas Pool and not nearer to nor within the boundaries of another designated Wolfcamp gas pool, shall be drilled, spaced, and produced in accordance with the special rules and regulations herein-after set forth.

RULE 2. (a) Each well completed or recompleted in the Bluit-Wolfcamp Gas Pool shall be located on a tract consisting of approximately 320 acres comprising any two contiguous quarter sections of a single governmental section, being a legal subdivision (half section) of the United States Public Lands Survey. For purposes of these rules, a unit consisting of between 316 and 324 surface contiguous acres shall be considered a standard unit.

(b) The Secretary-Director shall have authority to grant an exception to Rule 2 (a) without notice and hearing where an application has been filed in due form and where the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Lands Survey, or where the following facts exist and the following provisions are complied with:

(1) The non-standard unit consists of contiguous quarter-quarter sections or lots.

(2) The non-standard unit lies wholly within a single governmental section.

(3) The entire non-standard unit may reasonably be presumed to be productive of gas from the Bluit-Wolfcamp Gas Pool.

(4) The applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the section in which any part of the non-standard unit is situated and which acreage is not included in said non-standard unit.

(5) In lieu of Paragraph 4 of this Rule, the applicant may furnish proof of the fact that all of the aforesaid

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operators were notified by registered mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if, after a period of 30 days, no such operator has entered an objection to the formation of such non-standard unit.

RULE 3. (a) Each well completed or recompleted in the Bluit-Wolfcamp Gas Pool shall be located no nearer than 990 feet to the outer boundary of the quarter section nor nearer than 330 feet to any governmental quarter-quarter section line.

(b) The Secretary-Director shall have authority to grant exceptions to Rule 3 (a) without notice and hearing where an application therefor has been filed in due form and the necessity for the unorthodox location is based on topographical conditions or is occasioned by the recompletion of a well previously drilled to another horizon.

Applicants shall furnish all offset operators and all operators within the section in which the subject well is located a copy of the application to the Commission and shall stipulate to the Commission that proper notice has been furnished to all such operators. The Secretary-Director may approve the application if, after a period of 20 days, no offset operator has entered an objection to the proposed unorthodox location.

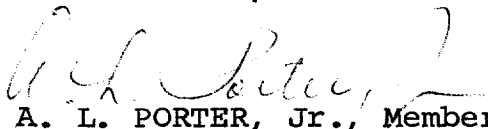
(2) That this case shall be reopened in August, 1962, at which time the applicants may appear and show cause why the subject pool should not be developed on 160-acre units.

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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