Entered February 14, 1964

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. 2682 Order No. R-2375-A

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR THE CREATION OF A NEW OIL POOL AND THE ESTABLISHMENT OF SPECIAL RULES AND REGULATIONS, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 22, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 29th day of January, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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-2375 dated November 21, 1962, temporary Special Rules and Regulations were promulgated for the Simpson-Gallup Oil Pool.
- (3) That pursuant to the provisions of Order No. R-2375, this case was reopened to allow the operators in the subject pool to appear and show cause why the Simpson-Gallup Oil Pool should not be developed on 40-acre proration units.
- (4) That the evidence establishes that one well in the Simpson-Gallup Oil Pool can efficiently and economically drain and develop 80 acres.
- (5) That to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of

-2-CASE No. 2682 Order No. R-2375-A

too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-2375 should be continued in full force and effect until further order of the Commission.

(6) That the Special Rules and Regulations promulgated by Order No. R-2375 have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil in the pool.

IT IS THEREFORE ORDERED:

- (1) That the Special Rules and Regulations governing the Simpson-Gallup Oil Pool promulgated by Order No. R-2375 are hereby continued in full force and effect until further order of the Commission.
- (2) 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

QIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

smalh

E. S. WALKER, Member

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

SEAL

Entered December 5, 1962 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. 2675 Order No. R-2376 APPLICATION OF SHAR-ALAN OIL COMPANY FOR AN UNORTHODOX WELL LOCATION, RIO ARRIBA COUNTY, NEW MEXICO. ORDER OF THE COMMISSION BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on November 20, 1962, at Santa Fe, New Mexico, before Elvis A. Utz, 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 28th day of November, 1962, the Commission, a quorum being present, having considered the recommendations of the Examiner, Elvis A. Utz, 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. That the applicant, Shar-Alan Oil Company, has requested that Case No. 2675 be dismissed. IT IS THEREFORE ORDERED: That Case No. 2675 is hereby dismissed. DONE at Santa Fe, New Mexico, on the day and year hereinabove designated. STATE OF NEW MEXICO OIL CONSERVATION COMMISSION EDWIN L. MECHEM, Chairman Eswalker . WALKER, Member SEAL PORTER, Jr., Member & Secretary esr/