

Submitted January 15, 1965
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. 2715
Order No. R-2401-A

APPLICATION OF SHELL OIL COMPANY
FOR THE ESTABLISHMENT OF SPECIAL
RULES AND REGULATIONS FOR THE
CUSTER-ELLENBURGER GAS 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 January 6, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 20th day of January, 1965, 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-2401, dated December 28, 1962, temporary Special Rules and Regulations were promulgated for the Custer-Ellenburger Gas Pool, Lea County, New Mexico.

(3) That pursuant to the provisions of Order No. R-2401, this case was reopened to allow the operators in the subject pool to appear and show cause why the Custer-Ellenburger Gas Pool should not be developed on 160-acre gas proration units.

(4) That since the issuance of Order No. R-2401, the Commission has amended Rule 104 of the Statewide Rules and Regulations to permit the dedication of 320 acres to a gas well in Lea, Chaves, Eddy, and Roosevelt Counties, New Mexico, projected to or completed in the Pennsylvanian formation or a deeper formation.

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(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 too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-2401 should be continued in full force and effect until further order of the Commission.

IT IS THEREFORE ORDERED:

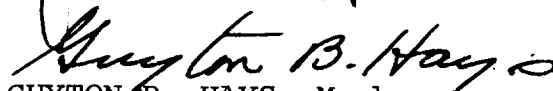
(1) That the Special Rules and Regulations governing the Custer-Ellenburger Gas Pool promulgated by Order No. R-2401 are hereby continued in full force and effect until further order of the Commission.


(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
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


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

S E A L

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