

Entered February 3, 1963
C.B.

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. 2733
Order No. R-2416

APPLICATION OF CHARLES B. READ
FOR A NON-STANDARD OIL PRORATION
UNIT, 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 23, 1963, 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 1st day of February, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and 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.

(2) That the applicant, Charles B. Read, seeks the establishment of a 48.99-acre non-standard oil proration unit consisting of Lots 4 and 5 of Section 31, Township 26 South, Range 32 East, NMPM, in an undesignated Delaware pool, Lea County, New Mexico.

(3) That the applicant is the owner and operator of Federal oil and gas leases embracing the subject area.

(4) That all owners of interest in the subject area have agreed to communitize their interests by communitization agreement dated November 19, 1962, and said agreement has been tentatively approved by the Secretary of the Interior, or his duly authorized representative.

(5) That the applicant has completed an oil well in the Ramsey Sand of the Delaware Formation at a location 409.7 feet from the North line and 330 feet from the West line of said Lot 4.

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(6) That the evidence establishes that one well will efficiently and economically drain the proposed non-standard proration unit.

(7) That the evidence establishes that approval of the subject application will avoid the augmentation of risk arising from the drilling of an excessive number of wells, will prevent the economic loss caused by the drilling of unnecessary wells, will prevent waste, protect correlative rights, and will otherwise be in the interest of conservation.

IT IS THEREFORE ORDERED:

(1) That a 48.99-acre non-standard oil proration unit is hereby established, consisting of Lots 4 and 5 of Section 31, Township 26 South, Range 32 East, NMPM, in an undesignated Delaware pool, Lea County, New Mexico. Said non-standard oil proration unit shall be dedicated to the Charles B. Read-Russell Well No. 3, located 409.7 feet from the North line and 330 feet from the West line of said Lot 4.

PROVIDED HOWEVER, That this order shall not be effective until the Secretary of the Interior, or his duly authorized representative, has given final approval to the said communitization agreement embracing the non-standard unit and the District Supervisor, Oil Conservation Commission, District No. I, Hobbs, New Mexico, has received written notice of such approval.

(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

E. S. WALKER, Member


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

S E A L

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