

*Entered June 19, 1963
R.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. 2784
Order No. R-2476

APPLICATION OF CONTINENTAL OIL
COMPANY FOR AUTHORITY TO CONDUCT
INTERFERENCE TESTS, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 24, 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 3rd day of May, 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, Continental Oil Company, seeks authority to shut in all wells in the Oil Center-Blaine Pool, Lea County, New Mexico, for approximately seven days to achieve stabilization, to leave one well shut in for a period not to exceed 90 days to observe pressure behavior, and to transfer allowables and make up underproduction from the shut-in wells.

(3) That approval of the subject application will afford the operators in the pool an opportunity to gather valuable information concerning reservoir characteristics of the Oil Center-Blaine Pool.

(4) That approval of the subject application will be in the interest of conservation and will neither cause waste nor impair correlative rights.

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CASE No. 2784

Order No. R-2476

IT IS THEREFORE ORDERED:

(1) That the operators in the Oil Center-Blinebry Pool are hereby authorized to shut in all wells in the Oil Center-Blinebry Pool and the Continental Meyer B-4 Well No. 20 for approximately seven days until satisfactory stabilization is achieved.

(2) That upon achieving stabilization, the operators in the subject pool are hereby authorized to leave the Continental Meyer B-4 Well No. 19 shut in for a period not to exceed 60 days in order to conduct interference tests in the Oil Center-Blinebry Pool.

(3) That the operators in the subject pool are hereby authorized to make up underproduction occurring during the stabilization shut-in period by transferring allowables from wells affected by the shut-in period to other wells on the same basic lease, and by producing the wells receiving the transferred allowable in excess of the 125 percent daily tolerance limitation, the gas-oil ratio notwithstanding, during the 60-day interference test period.

(4) That during the interference test period, the applicant is hereby authorized to transfer the allowable accruing to the Continental Meyer B-4 Well No. 19 during the stabilization shut-in period as well as during the 60-day interference test period to other wells on the same basic lease.

(5) That the Commission's Hobbs District Office shall be notified when the wells are shut in to achieve stabilization.

(6) That each operator desiring to transfer allowables shall submit a schedule indicating the amount of allowable to be transferred to each well to the Commission's Hobbs District Office prior to transferring any of said allowable to any well.

(7) That for good cause shown, the Secretary-Director of the Commission is hereby authorized to extend the interference test period authorized by this order for an additional period not to exceed 30 days.

(8) 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
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

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

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