Entered Guly 12, 1963

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. 2831 Order No. R-2508

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR AN EXCEPTION TO RULES 15(A) AND 15(B) OF THE GENERAL RULES AND REGULATIONS GOVERNING PRORATED GAS POOLS IN NORTHWESTERN NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 5, 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 <u>21st</u> day of June, 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, Pan American Petroleum Corporation, seeks to suspend the shut-in provisions of Rules 15(A) and 15(B) of Order No. R-1670, as amended, until September 1, 1963, for the Gallegos Canyon Unit Wells Nos. 96, 107, 109, 110, and 111, located in Sections 18, 19, and 20, Township 29 North, Range 12 West, and the Gallegos Canyon Unit Wells Nos. 102, 106, and 108, located in Sections 13 and 24, Township 29 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico.

(3) That the applicant has not established that waste is occurring or that correlative rights are being violated under the shut-in provisions of Rules 15(A) and 15(B) as applied to the subject wells.

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(4) That the applicant has not established that approval of the subject application will either prevent waste or protect correlative rights.

(5) That the subject application should be <u>denied</u>.

IT IS THEREFORE ORDERED:

(1) That the subject application is hereby <u>denied</u>.

(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

K M. CAMPBELL, Chairman

WALKER, Member s. Ε.

Ester.

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

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