

Entered April 8, 1965
C.H.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. 3159
Order No. R-2827-B

APPLICATION OF THE PURE OIL COMPANY
FOR THE CREATION OF A NEW GAS POOL
AND FOR SPECIAL POOL RULES, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 17, 1965, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 8th day of April, 1965, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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-2827, as amended by Order No. R-2827-A, the Commission granted The Pure Oil Company's request for the creation of a new gas pool in Lea County, New Mexico, designated the Red Hills-Pennsylvanian Gas Pool, and established vertical and horizontal limits for said pool.

(3) That the applicant, The Pure Oil Company, also seeks the promulgation of temporary special rules and regulations governing said pool, including a provision for 640-acre spacing and a provision requiring wells subsequently completed in said pool to be located no nearer than 1650 feet to the outer boundary of a section.

-2-

CASE No. 3159

Order No. R-2827-B

(4) That The Pure Oil Company Red Hills Unit Well No. 1 is the only well presently completed in the subject pool and is located 330 feet from the South line and 2310 feet from the East line of Section 32, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico.

(5) That the applicant has not established that the proposed special rules and regulations would afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the gas in the pool.

(6) That the applicant's request for special rules and regulations governing the Red Hills-Pennsylvanian Gas Pool should be denied.

IT IS THEREFORE ORDERED:

(1) That the applicant's request for special rules and regulations governing the Red Hills-Pennsylvanian Gas Pool is hereby denied.


(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

esr/