BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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C.P.

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 NOMENCLATURE

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 November 24, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 7th day of December, 1964, 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 the applicant, The Pure Oil Company, seeks the creation of a new Pennsylvanian gas pool for its Red Hills Unit Well No. 1, 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, and the promulgation of special rules and regulations governing said pool, including a provision for 640-acre spacing.

(3) That the portion of this case concerning the promulgation of special pool rules was continued at the above hearing by the examiner to the examiner hearing to be held on January 6, 1965, and that a subsequent order or orders should be issued concerning this portion of the case.

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That the Red Hills Unit Well No. 1, located 330 feet (4) 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, has discovered a separate common source of supply which should be designated the Red Hills-Pennsylvanian Gas Pool; that the vertical limits of said pool should be the Pennsylvanian formation, and that the horizontal limits of said pool should include all of Sections 31, 32, and 33, Township 25 South, Range 33 East, and all of Sections 4, 5, and 6, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as a gas pool for Pennsylvanian production, is hereby created and designated the Red Hills-Pennsylvanian Gas Pool, with vertical limits comprising the Pennsylvanian formation, and horizontal limits comprising all of Sections 31, 32, and 33, Township 25 South, Range 33 East, and all of Sections 4, 5, and 6, Township 25 South, Range 33 East, NMPM, Lea County, New Mexico.

(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

M. CAMPBELL, Chairman

A Contraction

SEAL

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

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