

Entered July 27, 1966
A.L.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. 3259
Order No. R-2929-A

APPLICATION OF MIDWEST OIL CORPORATION
FOR THE CREATION OF TWO NEW OIL POOLS,
AND FOR SPECIAL POOL RULES, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 19, 1966,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 27th day of July, 1966, 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 by Order No. R-2929, dated June 15, 1965, temporary
Special Rules and Regulations were promulgated for the Nonombre-
Upper Pennsylvanian Pool and the Nonombre-Lower Pennsylvanian
Pool, Lea County, New Mexico.
- (3) That pursuant to the provisions of Order No. R-2929,
this case was reopened to allow the operators in the subject pools
to appear and show cause why the Nonombre-Upper Pennsylvanian Pool
and the Nonombre-Lower Pennsylvanian Pool should not be developed
on 40-acre or 80-acre spacing units.
- (4) That the evidence establishes that one well in the
Nonombre-Upper Pennsylvanian Pool can efficiently and economi-
cally drain and develop 160 acres.

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(5) That the evidence establishes that one well in the Nonombre-Lower Pennsylvanian Pool can efficiently and economically drain and develop 160 acres.

(6) That the Special Rules and Regulations promulgated by Order No. R-2929 have afforded and will afford to the owner of each property in the pools the opportunity to produce his just and equitable share of the oil in the pools.

(7) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-2929 should be continued in full force and effect until further order of the Commission.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Nonombre-Upper Pennsylvanian Pool and the Nonombre-Lower Pennsylvanian Pool, promulgated by Order No. R-2929, are hereby continued in full force and effect until further order of the Commission.


(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

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