

Entered August 6, 1965
A.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO CONSIDER THE CREATION OF A NEW POOL FOR ELLENBURGER PRODUCTION IN SECTIONS 4 AND 5, TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM, LEA COUNTY, NEW MEXICO, SAID POOL TO BE DESIGNATED THE STATELINE-ELLENBURGER POOL; FURTHER TO CONSIDER THE ESTABLISHMENT OF A PROCEDURE WHEREBY ALLOWABLES FOR WELLS IN SAID POOL MAY BE ASSIGNED ON AN EQUI-TABLE BASIS WITH ALLOWABLES ASSIGNED TO WELLS IN THE SAME COMMON SOURCE OF SUPPLY IN THE STATE OF TEXAS.

CASE No. 3277
Order No. R-2943
NOMENCLATURE

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 28, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of August, 1965, 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 Standard Oil Company of Texas Continental State Well No. 1, located in Unit B of Section 5, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico, has discovered a separate common source of supply in New Mexico which should be designated the Stateline-Ellenburger Pool with vertical limits comprising the Ellenburger formation and horizontal limits comprising all of Section 4 and the NE/4 of Section 5, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) That the Standard Oil Company of Texas Continental State Well No. 1 was completed July 18, 1965, with the top of the perforations at 12,086 feet.

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(4) That said pool constitutes a common source of supply with the Stateline (Ellenburger) Pool in Andrews County, Texas.

(5) That the Texas portion of the pool was discovered by the Standard Oil Company of Texas Southland Royalty Company Well No. 1, located in Unit E of Section 16, Block A-51, Andrews County, Texas, and completed May 4, 1965.

(6) That wells in the Stateline (Ellenburger) Pool in Andrews County, Texas, are presently receiving a discovery allowable of 330 barrels of oil per calendar day which exceeds top unit allowable for wells of similar depth in New Mexico.

(7) That in order to afford the operators in the New Mexico portion of the pool the opportunity to produce their just and equitable share of the oil, and otherwise prevent waste and protect correlative rights, effective August 1, 1965, the top unit allowable for wells on a standard proration unit in New Mexico should be 330 barrels of oil per day and said allowable should continue so long as wells in the Texas portion of the pool are receiving a discovery allowable.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as an oil pool for Ellenburger production, is hereby created and designated the Stateline-Ellenburger Pool with vertical limits comprising the Ellenburger formation and horizontal limits comprising all of Section 4 and the NE/4 of Section 5, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico.

(2) That, effective August 1, 1965, the top unit allowable for wells on a standard proration unit in the Stateline-Ellenburger Pool, Lea County, New Mexico, shall be 330 barrels of oil per day and said allowable shall continue so long as a discovery allowable is in effect in the Texas portion of the pool.

(3) That upon discontinuance of the discovery allowable in the Texas portion of the pool, the top unit allowable for wells in the Stateline-Ellenburger Pool, Lea County, New Mexico, shall be determined in accordance with Rule 505 of the Commission Rules and Regulations.

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(4) 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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