

Entered September 22, 1966
B.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. 3457
Order No. R-3120

APPLICATION OF KERN COUNTY LAND COMPANY
FOR SPECIAL POOL RULES, ROOSEVELT AND
CHAVES COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 14, 1966, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 22nd day of September, 1966, 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 the applicant, Kern County Land Company, seeks the promulgation of special rules and regulations for the Chaveroo-San Andres Pool, Roosevelt and Chaves Counties, New Mexico, including a provision for 80-acre proration units and fixed well locations.

(3) That the applicant has not established that the wells in the Chaveroo-San Andres Pool can efficiently and economically drain and develop 80 acres or that the establishment of special rules and regulations would prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, prevent reduced recovery which might result from the drilling of too few wells, or otherwise prevent waste or protect correlative rights.

-2-

CASE No. 3457

Order No. R-3120

(4) That the subject application should be denied.

IT IS THEREFORE ORDERED:

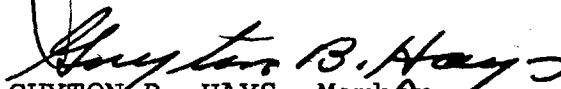
(1) That the subject application is hereby denied.

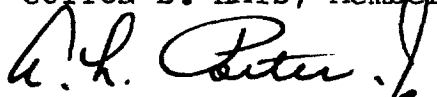
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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/