

Entered June 5, 1967
A.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. 3589
Order No. R-3252

APPLICATION OF CLAUDE C. KENNEDY
FOR SPECIAL POOL RULES, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 24, 1967,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 5th day of June, 1967, 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, Claude C. Kennedy, seeks the
establishment of special rules and regulations for the Slick Rock-
Dakota Oil Pool comprising the S/2 SE/4 of Section 36, Township 30
North, Range 17 West, NMPM, San Juan County, New Mexico, including
a provision for development on 2 1/2-acre spacing, with the provi-
sion that each 40-acre tract be subject to the Northwest New
Mexico normal unit allowable.

(3) That adoption of the proposed special rules and regula-
tions will prevent waste and protect correlative rights, provided
a 40-acre proration unit does not receive more than a 40-acre
top unit allowable for wells in the 0-5000 foot depth in Northwest
New Mexico, regardless of the number of wells on the 40-acre unit.

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IT IS THEREFORE ORDERED:

That Special Rules and Regulations for the Slick Rock-Dakota Oil Pool, San Juan County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
SLICK ROCK-DAKOTA OIL POOL

RULE 1. Each well completed or recompleted in the Slick Rock-Dakota Oil Pool or in the Dakota formation within one mile thereof, and not nearer to or within the limits of another designated Dakota oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located no nearer than 165 feet to the outer boundary of the quarter-quarter section on which it is located and no nearer than 300 feet to any other well producing from the same pool.

RULE 3. The Secretary-Director of the Commission shall have authority to grant exceptions to Rule 2 without notice and hearing where an application therefor has been filed in due form and the necessity for the exception is based on topographical conditions.

All operators owning acreage within 330 feet of the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators owning acreage within 330 feet of the proposed location or if no such operator has entered an objection to the unorthodox location within 20 days after the Secretary-Director has received the application.

RULE 4. A 40-acre proration unit shall not produce in excess of the 40-acre top unit allowable for wells in the 0-5000 foot depth range in Northwest New Mexico, regardless of the number of wells on the unit.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Slick Rock-Dakota Oil Pool or in the Dakota

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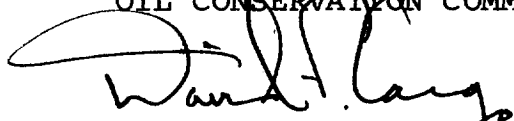
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formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Aztec District Office of the Commission in writing of the name and location of the well on or before June 15, 1967.

(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.

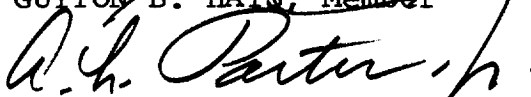
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



DAVID F. CARGO, Chairman



GUYTON B. HAYS, Member



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

S E A L

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