Enlard May 13, 1971 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 OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 4532 Order No. R-4143

APPLICATION OF ATLANTIC RICHFIELD FOR THE ASSIGNMENT OF GAS ALLOWABLE, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 28, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>13th</u> day of May, 1971, 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, Atlantic Richfield Company, is the operator of the Phillips "A" Wells Nos. 8 and 9, located in Unit M of Section 31, Township 19 South, Range 37 East, NMPM, Monument-McKee Gas Pool, Lea County, New Mexico.

(3) That said Well No. 8 was classified as a marginal well July 1, 1970, and plugged and abandoned in January, 1971.

(4) That said Well No. 9 was completed in March, 1971.

(5) That the applicant seeks assignment to its Well No. 9 the gas allowable that would have been assigned to its Well No. 8 during the last six months of 1970 and the first two months of 1971 had said Well No. 8 been classified as a non-marginal well each of the eight months. -2-CASE NO. 4532 Order No. R-4143

(6) That the applicant has not shown that the subject wells were unreasonably discriminated against.

(7) That approval of the subject application would give to the applicant an unfair advantage over other operators in the subject pool and would, therefore, violate the correlative rights of other operators.

(8) That the application should be <u>denied</u>.

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

BRUCE KING, Chairman

ALEX J. ARMIJO Member

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

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