

*Entered October 22, 1974
R.H.P.*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CASE NO. 4548
Order No. R-4157-B

IN THE MATTER OF CASE NO. 4548 BEING
REOPENED PURSUANT TO THE PROVISIONS
OF ORDER NO. R-4157-A WHICH ORDER
CONTINUED IN EFFECT FOR ONE YEAR THE
SPECIAL TEMPORARY SPECIAL RULES AND
REGULATIONS FOR THE CATCLAW DRAW-MORROW
GAS POOL, EDDY COUNTY, NEW MEXICO

AND:

IN THE MATTER OF CASE NO. 4548 BEING
REOPENED ON THE MOTION OF THE OIL
CONSERVATION COMMISSION TO CONSIDER THE
AMENDMENT OF THE SPECIAL POOL RULES FOR
THE CATCLAW DRAW-MORROW GAS POOL, EDDY
COUNTY, NEW MEXICO, TO LIMIT THE APPLI-
CABILITY OF SAID SPECIAL RULES TO THE
CONFINES OF THE POOL'S HORIZONTAL LIMITS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

These causes came on for hearing at 9 a.m. on September 4, 1974, and at 9 a.m. on October 2, 1974, respectively, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of October, 1974, the Commission, a quorum being present, having considered the testimony, the records, 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 these causes and the subject matter thereof.
- (2) That by Order No. R-4157, dated June 21, 1971, temporary special rules and regulations were established for the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, establishing 640-acre spacing units.
- (3) That by Order No. R-4157-A, dated September 13, 1973, said temporary special rules and regulations were extended for a period of one year.

(4) That by Order No. R-1670-O, dated January 15, 1974, the Special Pool Rules for the Catclaw Draw-Morrow Gas Pool were amended to provide for the prorationing of gas in said pool, and Special Rules 1, 2, 8(A), 8(B), 9, 25, and 26 were promulgated, the pool also being subject to the General Rules for Prorated Gas Pools in Southeast New Mexico, as promulgated by Order No. R-1670.

(5) That pursuant to the provisions of Order No. R-4157-A, this cause was reopened to allow the operators in the Catclaw Draw-Morrow Gas Pool to appear and show cause why said pool should not be developed on 320-acre spacing.

(6) That the available pressure and reservoir information tends to support the conclusion that effective drainage is occurring within the sand lenses of the Morrow formation on 640-acre spacing in the Catclaw Draw-Morrow Gas Pool, and that to prevent waste and protect correlative rights, 640-acre spacing and proration units should be continued for said pool, at least in the foreseeable future.

(7) That the engineering and geological information available indicates that the productive limits of the Catclaw Draw-Morrow Gas Pool have been effectively defined in practically all directions, with the possible exception being to the Southwest.

(8) That the drilling of Pennsylvanian gas wells on the standard Southeast New Mexico spacing of 320 acres is occurring in lands offsetting the established limits of the Catclaw Draw-Morrow Gas Pool but outside the productive limits of said pool.

(9) That to avoid conflicts of spacing patterns and violation of correlative rights, the pool rules for the Catclaw Draw-Morrow Gas Pool, including 640-acre spacing units and prorationing of gas, should be limited to the established productive limits of the pool, and not, as is often the case in other pools, to the pool limits and to lands outside said limits but within one mile thereof.

(10) That Rule 1 of the Special Rules and Regulations for the Catclaw Draw-Morrow Gas Pool, as promulgated by Order No. R-4157, and as amended by Order No. R-1670-O, should be amended to read in its entirety as follows:

"RULE 1. Each well completed or recompleted in the Catclaw Draw-Morrow Gas Pool, as defined by the Commission, shall be spaced, drilled, operated, and prorated in accordance with the rules for the Catclaw Draw-Morrow Gas Pool as set forth herein."

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Case No. 4548

Order No. R-4157-B

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Catclaw Draw-Morrow Gas Pool, as promulgated by Order No. R-4157, and as amended by Order No. R-1670-0, are hereby continued in full force and effect until further order of the Commission, provided however, that Rule 1 of said Special Rules is hereby amended to read in its entirety as follows:


"RULE 1. Each well completed or recompleted in the Catclaw Draw-Morrow Gas Pool, as defined by the Commission, shall be spaced, drilled, operated, and prorated in accordance with the rules for the Catclaw Draw-Morrow Gas Pool as set forth herein."


(2) That jurisdiction of this cause is hereby 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

I. R. TRUJILLO, Chairman


ALEX J. ARMIJO, Member


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

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