

Entered June 11, 1972
A.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. 4684
Order No. R-4321

APPLICATION OF THE PETROLEUM
CORPORATION FOR CREATION OF
A NEW GAS POOL AND SPECIAL
POOL RULES, LEA COUNTY, NEW
MEXICO.

NOMENCLATURE

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 5, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 7th day of June, 1972, 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, The Petroleum Corporation, seeks the creation of a new gas pool for Ellenburger production in Lea County, New Mexico, and the promulgation of special rules and regulations governing said pool, including a provision for 640-acre spacing and proration units.

(3) That the Tenneco Federal Well No. 1, located in Unit N of Section 12, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico, having its top perforations at 11,634 feet, has discovered a separate common source of supply which should be designated the Dublin-Ellenburger Gas Pool.

(4) That the applicant has not established that there are 640 productive acres in the Dublin-Ellenburger Gas Pool.

(5) That the applicant has not established that wells in the Dublin-Ellenburger Gas Pool can efficiently and economically drain and develop 640 acres or that the establishment of special rules and regulations, even on a temporary basis, would prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an

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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.

(6) That the vertical limits of the Dublin-Ellenburger Gas Pool should be the Ellenburger formation and that the horizontal limits of said pool should be the S/2 of said Section 12.

(7) That the applicant's request for the promulgation of special rules for the subject pool should be denied.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as a gas pool for production from the Ellenburger formation, is hereby created and designated the Dublin-Ellenburger Gas Pool, consisting of the following-described area:

LEA COUNTY, NEW MEXICO
TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM
Section 12: S/2

(2) That the applicant's request for the promulgation of special rules for the above-described pool is hereby denied.


(3) 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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