

Entered March 22, 1975
D.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. 5444
Order No. R-4683-B

NOMENCLATURE

APPLICATION OF C & K PETROLEUM,
INC., FOR POOL CREATION AND SPECIAL
POOL RULES, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 19, 1975,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of March, 1975, 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, C & K Petroleum, Inc., seeks
the creation of a new gas pool for Wolfcamp production in
Eddy County, New Mexico, and the promulgation of special
pool rules governing said pool, including a provision for
320-acre spacing.

(3) That applicant's well, the Harold Olive Com Well
No. 1, located 660 feet from the South line and 1980 feet
from the East line of Section 14, Township 22 South, Range 26
East, NMPM, Eddy County, New Mexico, is within one mile of
the horizontal limits of the South Carlsbad-Wolfcamp Gas
Pool and in fact is producing from the same common source of
supply as said South Carlsbad-Wolfcamp Gas Pool.

(4) That rather than create a new gas pool for Wolfcamp
production for applicant's Harold Olive Com Well No. 1, the
Commission should extend said South Carlsbad-Wolfcamp Gas
Pool to include said well.

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(5) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the temporary special rules and regulations providing for 320-acre spacing units for the South Carlsbad-Wolfcamp Gas Pool, which are due to expire April 1, 1975, should be continued in full force and effect for an additional one-year period.

(6) That the South Carlsbad-Wolfcamp Gas Pool as heretofore classified, defined, and described, should be extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 14: S/2

(7) That this case should be reopened at an examiner hearing in March, 1976, to permit the operators in the subject gas pool to appear and show cause why the South Carlsbad-Wolfcamp Gas Pool should not be developed on 160-acre spacing units.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the South Carlsbad-Wolfcamp Gas Pool, Eddy County, New Mexico, promulgated by Order No. R-4683, are hereby continued in full force and effect until April 1, 1976.

(2) That the South Carlsbad-Wolfcamp Gas Pool, Eddy County, New Mexico, as heretofore classified, defined, and described is hereby extended to include:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 14: S/2

(3) That this case shall be reopened at an examiner hearing in March, 1976, at which time the operators in the subject pool may appear and show cause why the South Carlsbad-Wolfcamp Gas Pool should not be developed on 160-acre spacing units.

(4) That Order No. R-4683-A is hereby rescinded.

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

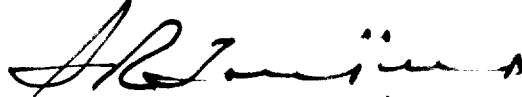
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



I. R. TRUJILLO, Chairman



PHIL R. LUCERO, Member



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

S E A L

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