

Entered October 12, 1976

JCR

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. 5763
Order No. R-4691-B

APPLICATION OF ROGER C. HANKS FOR
A SPECIAL DEPTH BRACKET ALLOWABLE,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 15, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 12th day of October, 1976, 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, Roger C. Hanks, seeks the amendment of Commission Order No. R-4691-A to provide for a special depth bracket allowable of 350 barrels per day for the North Dagger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico.

(3) That the wells in said North Dagger Draw-Upper Pennsylvanian Pool produce large quantities of water.

(4) That if such wells are shut in, because of allowable restriction or any other reason, water production increases and oil production decreases substantially.

(5) That wells in said pool are not adversely affected by high rates of production but are instead improved thereby.

(6) That approval of the application should serve to prevent waste and will not violate correlative rights.

(7) That the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That Order (1) of Commission Order No. R-4691-A is hereby amended to read in its entirety as follows:

-2-

Case No. 5763

Order No. R-4691-B

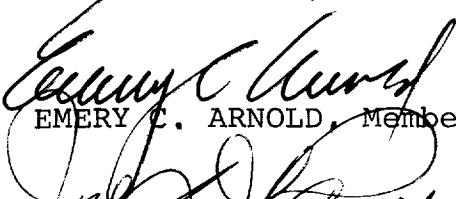
"(1) That the Special Rules and Regulations governing the North Dagger Draw-Upper Pennsylvanian Pool, promulgated by Order No. R-4691, shall remain in full force and effect for an additional period of one year provided, however, that said rules are hereby amended to provide for 160-acre spacing and proration units and to provide a special depth bracket allowable of 350 barrels of oil per day."

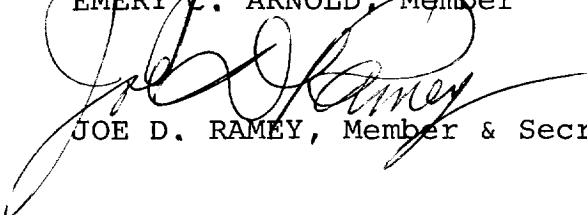
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

jr/