

Entered March 15, 1974
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. 5156
Order No. R-4740

APPLICATION OF FRANKLIN, ASTON AND
FAIR 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 January 30, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of March, 1974, 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, Franklin, Aston and Fair, seeks the creation of a new pool for the production of gas from the Morrow formation and the promulgation of special rules and regulations governing said pool, including a provision for 640-acre spacing units.

(3) That the evidence presently available indicates that applicant's McIntyre "A" No. 6, located in Unit O of Section 20, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico has discovered a separate common source of supply which should be designated the South Loco Hills-Morrow gas pool; that the vertical limits of said pool should be the Morrow formation, and that the horizontal limits should comprise the following-described lands:

EDDY COUNTY, NEW MEXICO
TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 20: E/2

(4) That the applicant has not established that a well in the subject pool can efficiently and economically drain and develop 640 acres or that the establishment of special rules

-2-

Case No. 5156
Order No. R-4740

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 excessive number of wells and otherwise prevent waste or protect correlative rights.

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

IT IS THEREFORE ORDERED:

(1) That a new pool in Eddy County, New Mexico, classified as a gas pool for the production of gas from the Morrow formation, is hereby created and designated the South Loco Hills-Morrow gas pool, with vertical limits comprising the Morrow formation and horizontal limits comprising the following-described area:

EDDY COUNTY, NEW MEXICO
TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 20: E/2

(2) That the applicant's request for the promulgation of special pool 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


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

S E A L

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