

*Entered upon 16, 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. 5202
Order No. R-4764

APPLICATION OF EL PASO NATURAL
GAS COMPANY FOR 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 April 10, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of April, 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 West Sand Dunes-Morrow Gas Pool was established by Commission Order No. R-4540, dated May 31, 1973, which order designated the horizontal limits of said pool as comprising the E/2 of Section 29, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That wells within the pool are governed by the State-wide Rules for Southeastern New Mexico which prescribe, in part, 320-acre spacing.

(4) That the applicant, El Paso Natural Gas Company, seeks the extension of the horizontal boundaries of the subject pool to include the W/2 of said Section 29 and the promulgation of special pool rules for said pool, including a provision for 640-acre spacing.

(5) That at the present time there exists only one well in the subject pool, that being the applicant's Mobil Federal Well No. 1, located in the E/2 of Section 29.

(6) That the evidence presently available does not establish that one well can efficiently and economically drain 640 acres within said pool.

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(7) That in order to prevent the reduced recovery occasioned by the drilling of an insufficient number of wells and to otherwise prevent waste and protect correlative rights, the subject application should be denied.

IT IS THEREFORE ORDERED:

(1) That the application of El Paso Natural Gas Company in the subject case is hereby denied.


(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 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

jr/