

Entered January 17, 1978  
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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. 6105  
Order No. R-5353-D

APPLICATION OF MEWBOURNE OIL COMPANY  
FOR CREATION OF AN ASSOCIATED GAS POOL  
AND A NON-STANDARD GAS PRORATION UNIT,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 14, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 17th day of January, 1978, 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 Querecho Plains-Queen (oil) Pool was created by Commission Order No. R-2034 effective August 1, 1961, and said pool has from time to time thereafter been extended.

(3) That the applicant, Mewbourne Oil Company has completed its Federal "F" Well No. 1 located in Unit L of Section 23, Township 18 South, Range 32 East, Lea County, New Mexico, as a gas well in the Queen formation adjacent to said Querecho Plains-Queen Pool.

(4) That the applicant seeks the redesignation of said Querecho Plains-Queen Pool as an associated pool and the establishment of 40-acre oil spacing units and 160-acre gas spacing units therefore.

(5) That the evidence presented established that said Federal "F" Well No. 1 is producing from a common reservoir with wells in said Querecho Plains-Queen Pool, and that said reservoir is an associated oil and gas reservoir.

-2-

Case No. 6105

Order No. R-5353-D

(6) That the evidence presented established that said pool may be efficiently and economically developed by oil wells on 40-acre spacing units and gas wells on 160-acre spacing units.

(7) That the applicant further seeks approval of a 120-acre non-standard gas proration unit comprising the E/2 SE/4 of Section 22 and the NW/4 SW/4 of Section 23, both in Township 18 South, Range 32 East, Lea County, New Mexico, to be dedicated to said Federal "F" Well No. 1.

(8) That the entire proposed non-standard gas proration unit may be presumed to be productive of gas from the Queen formation.

(9) That the application for pool reclassification, special pool rules, and a non-standard gas proration unit should be approved.

IT IS THEREFORE ORDERED:

(1) That effective January 1, 1978, the Querecho Plains-Queen Pool, Lea County, New Mexico, is hereby reclassified as an associated pool and redesignated the Querecho Plains Associated Pool.

(2) That said Querecho Plains-Queen Associated Pool shall be governed by the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico, promulgated by Order No. R-5353, insofar as said General Rules and Regulations are not inconsistent with the Special Rules and Regulations for the subject pool as hereinafter set forth, in which event the Special Rules shall apply.

SPECIAL RULES AND REGULATIONS  
FOR THE  
QUERECHO PLAINS-QUEEN ASSOCIATED POOL

RULE 2. (a) A standard oil proration unit shall be 40 acres. A standard gas proration unit shall be 160 acres.

IT IS FURTHER ORDERED:

(1) That effective January 1, 1978, a 120-acre non-standard gas proration unit comprising the E/2 SE/4 of Section 22 and the NE/4 SW/4 of Section 23, both in Township 18 South, Range 32 East, Lea County, New Mexico, is hereby approved for the Mewbourne Oil Company Federal "F" Well No. 1 located in Unit L of said Section 23 in the Querecho Plains-Queen Associated Pool.

(2) That the locations of all wells presently drilling to or completed in the Querecho Plains-Queen Associated Pool or in the Queen formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs district office of the Commission in writing of the name and location of the well on or before March 1, 1978.

-3-

Case No. 6105

Order No. R-5353-D

(3) That, pursuant to Paragraph A. of Section 65-3-14.5, N.M.S.A. 1953 Comp. contained in Laws 1969, Chapter 271, existing oil wells in the Querecho Plains-Queen Associated Pool shall have dedicated thereto 40 acres and existing gas wells shall have dedicated thereto 160 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C. of said Section 65-3-14.5, existing wells may have non-standard spacing or proration units established by the Commission and dedicated thereto.

Failure to file new Forms C-102 with the Commission dedicating the appropriate acreage to a well or to obtain a non-standard unit approved by the Commission within 60 days from the date of this order shall subject the well to cancellation of allowable. Until said Form C-102 has been filed or until a non-standard unit has been approved, and subject to said 60-day limitation, each well presently drilling to or completed in the Querecho Plains-Queen Associated Pool or in the Queen formation within one mile thereof shall receive no more than a 40-acre allowable for the pool.

(4) 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

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