1 ... In Sept. 7 1956

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 819 Order No. R-638-C

IN THE MATTER OF THE APPLICATION OF JAKE L. HAMON AND WARREN PETROLEUM CORPORATION FOR AN ORDER ESTABLISHING 80-ACRE WELL SPACING AND AN ALLOCATION FACTOR DETERMINED AS THE PRODUCT OF A STANDARD 40-ACRE ALLOWABLE AND THE APPROPRIATE DEPTH FACTOR FOR THE COMMON SOURCE OF SUPPLY, DESIGNATED AS THE SOUTH KNOWLESDEVONIAN POOL IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

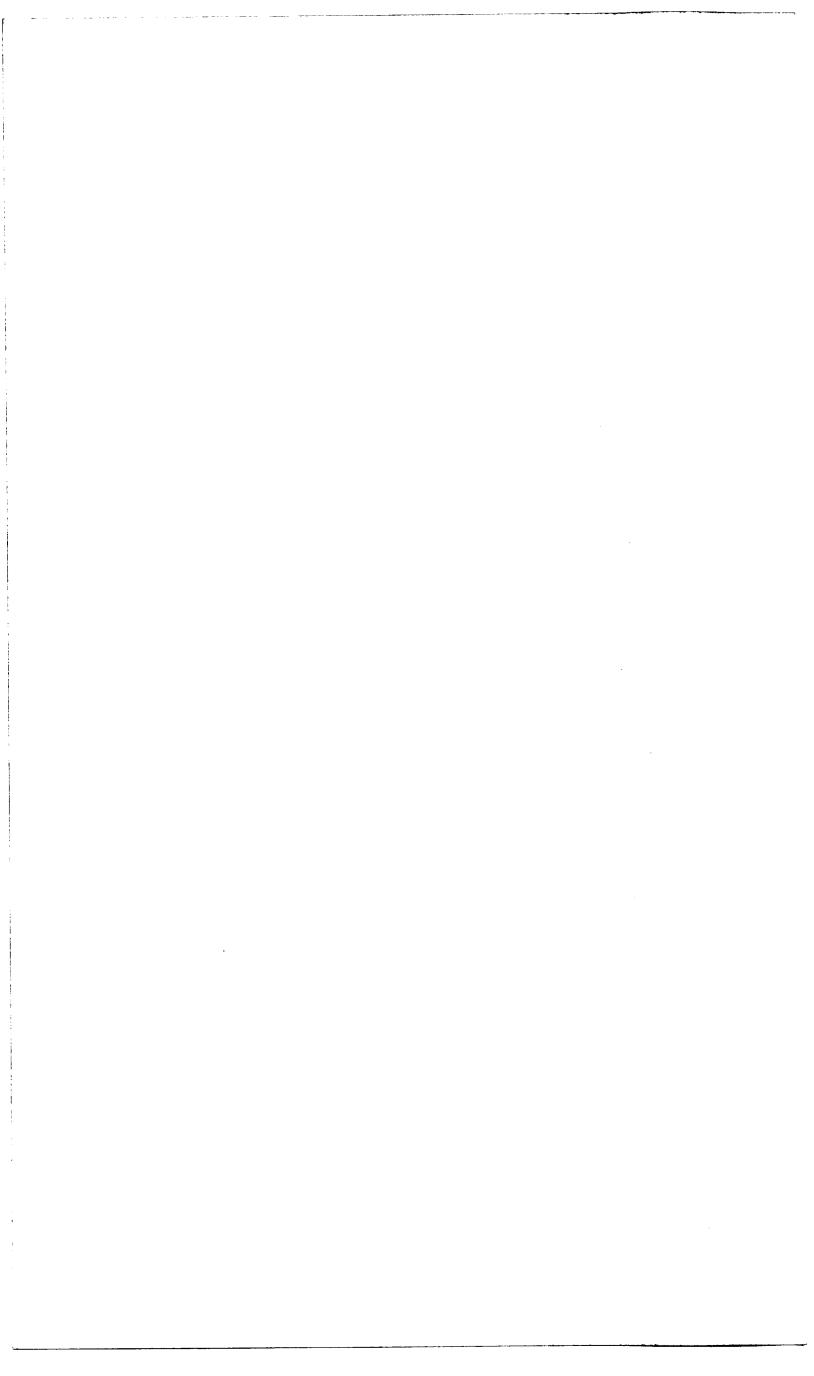
BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 18, 1956, before the Oil Conservation Commission of New Mexico hereinafter referred to as the "Commission", in compliance with Paragraph 6 of Order R-638-B issued by the Commission on the 15th day of September, 1955.

NOW, on this <u>day of September</u>, 1956, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearing and being fully advised in the premises,

FINDS:

- 1. That due public notice of the time and place of the initial re-hearing on July 14, 1955 having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- 2. That geological and engineering data now available to the Commission indicate that one well will drain 80 acres and that the South Knowles-Devonian Pool should be developed on the basis of 80-acre proration units, said proration units to consist of the E/2 or the W/2 of each quarter section.
- 3. That in order to prevent waste, the maximum perwell allowable for the pool should be set at 150 barrels for each proration unit.
- 4. That the provisions of Paragraphs 1, 2, 3, and 4 in full and Paragraph 5 in part as set forth in Order R-638-B should be ordered to be permanently in full force and effect.



IT IS THEREFORE ORDERED:

- l. That 80-acre proration units be and the same are hereby established for the South Knowles-Devonian Pool, said proration units to consist of the $\rm E/2$ or the $\rm W/2$ of each governmental quarter section.
- 2. That all wells drilled in the South Knowles-Devonian Pool may be located on either 40-acre portion of the 80acre proration unit, provided however that the well shall be located in the center of the 40-acre tract with a tolerance of 150 feet in any direction to avoid surface obstructions.
- 3. That no well shall be drilled and produced except in conformity with the spacing pattern set for the above without special order of the Commission after due notice and hearing.
- 4. That the maximum allowable assigned any well on an 80-acre proration unit within the South Knowles-Devonian Pool shall be 150 barrels per day subject to gas-oil ratio limitations and adjustment.
- 5. That this order shall cover all of the South Knowles-Devonian Pool as heretofore delineated and any extension thereof as may be determined by further development and shall continue in full force and effect until further order of the Commission.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

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

S E A L

