

Entered June 5, 1958
J.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 THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 977
Order No. R-794-E

APPLICATION OF SOUTHERN UNION GAS
COMPANY FOR AN ORDER CREATING THE
TAPACITO-PICTURED CLIFFS POOL IN
RIO ARriba COUNTY, NEW MEXICO, AND
FOR THE ESTABLISHMENT OF 320-ACRE
DRILLING UNITS WITHIN SAID POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 16, 1955, January 16, 1957, March 14, 1957, August 15, 1957, and again on February 13, 1958, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," and this cause came on for rehearing before the Commission at Santa Fe, New Mexico, on May 14, 1958, upon the petition of Southern Union Gas Company and Humble Oil and Refining Company.

NOW, on this 4th day of June, 1958, the Commission, a quorum being present, having considered the testimony and evidence adduced at all of said hearings, 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 petitioners, Southern Union Gas Company and Humble Oil and Refining Company, seek the establishment of 320-acre spacing in the Tapacito-Pictured Cliffs Pool in Rio Arriba County, New Mexico.

(3) That the Tapacito-Pictured Cliffs Pool cannot be efficiently drained and developed on a 320-acre spacing pattern, and that the establishment of a 320-acre spacing pattern in said pool would appreciably reduce the ultimate recovery from the pool as a result of the drilling of too few wells thereby causing underground waste.

(4) That the Tapacito-Pictured Cliffs Pool can be efficiently and economically drained and developed on a 160-acre spacing pattern, and that such a pattern should be established for said pool.

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(5) That the drilling and spacing of wells in the Tapacito-Pictured Cliffs Pool should be governed by Rule 104 of the Commission Rules and Regulations.

(6) That paragraph (1) of Order No. R-794 which created the Tapacito-Pictured Cliffs Pool should remain in full force and effect but that paragraphs (2) through (11) inclusive of Order No. R-794 should be superseded hereby, and further that Order No. R-794-A, Order No. R-794-B, and Order No. R-794-C should also be superseded hereby.

IT IS THEREFORE ORDERED:

(1) That a 160-acre spacing pattern be and the same is hereby established for the Tapacito-Pictured Cliffs Pool in Rio Arriba County, New Mexico.

(2) That the drilling and spacing of wells in the Tapacito-Pictured Cliffs Pool shall be governed by Rule 104 of the Rules and Regulations of the Oil Conservation Commission of New Mexico.

(3) That Order No. R-794, Order No. R-794-A, Order No. R-794-B, and Order No. R-794-C be and the same are hereby superseded with the exception that paragraph (1) of Order No. R-794 shall remain in full force and effect.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



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

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