

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. 249  
(Consolidated with Case No. 315)  
Order No. R-69-C

THE MATTER OF THE APPLICATION OF  
THE OIL CONSERVATION COMMISSION  
UPON ITS OWN MOTION FOR AN ORDER  
DIRECTED TO THE OPERATORS IN THE  
BAGLEY-SILURO-DEVONIAN POOL, LEA  
COUNTY, NEW MEXICO TO SHOW CAUSE  
WHY SAID POOL SHOULD NOT BE PLACED  
ON 40-ACRE SPACING WITH ALLOWABLE  
ADJUSTMENT, UPON EXPIRATION OF  
TEMPOARY ORDER.

TEMPORARY ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing on April 16 and for further hearing on May 19, 1953, at Santa Fe, New Mexico, before the oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," upon order to show cause why the Bagley-Siluro-Devonian Pool should not be placed upon 40-acre spacing with allowable adjustment resulting from expiration of Temporary Orders R-69, R-69-A and R-69B.

NOW, on this 21st day of May, 1953, the Commission, a quorum being present, having considered the testimony adduced and exhibits received at said hearings, and being fully advised in the premises,

FINDS:

(1) That due notice having been given and proper service had upon the oper ators in said pool as required by law, and appearances being made, the Commission has jurisidction of this cause.

(2) That originally the Commission issued temporary Order R-69, effective May 1, 1951, to and including May 1, 1952, authorizing the devlopment and production of the Bagley-Siluro-Devonian Pool on an 80-acre pattern with 80-acres, proration units, upon the theory that in such pool one well would effectively drain 80 acres, and for the further reason of the then existing shortage of tubular goods.

(3) That thereafter and prior to the expiration of Order R-69, the Commission after due notice and hearing issued Order R-69-A, which granted and extension of Order R-69, as modified, for a period of one year from and after May 1, 1952.

(4) That tesimony adduced at the May 19, 1953, hearing indicated that waste will be reduced and correlative ri hts preserved by a temporary one-year order modifying in certain respects previous requirements imposed by orders in the case, but authorizing 80-acre spacing of wells, and establishing 80-acre proration units in the Bagley-Siluro-Devonian Pool.

IT IS THEREFORE ORDERED:

(a) That 80-acre spacing of wells and establishment of 80-acre proration units in the Bagley-Siluro-Devonian Pool, Lea County, New Mexico, described as:

Township 11 South, Range 33 East, NMPM  
All Section 34; NW/4 and S/2 Section 35

Township 12 South, Range 33 East, NMPM  
N/2 and SE/4 of Section 3; all of Section  
2; E/2 NW/4 and N/2 NE/4 of Section 11

-2-

be, and the same is hereby authorized for the period of time from May 21, 1953, to and including June 1, 1954; such proration units to consist of the E/2 and the W/2 respectively of each governmental survey quarter section therein and the well location thereon shall be in the center ( permissive tolerance 150 feet) of the northwest and southeast quarter sections thereof,

PROVIDED, HOWEVER, that the following described units do, and shall constitute permissible exceptions to the spacing and proration unit plan aforesaid:

Township 11 South, Range 33 East, NMPM  
N/2 NW/4 of Section 35 S/2 NW/4 of Section 35

Township 12 South, Range 33 East, NMPM  
N/2 NW/4 of Section 3; S/2 NW/4 of Section 3;  
N/2 NE/4 of Section 2; SW/4 NE/4 and NW/4  
SE/4 of Section 2; SE/4 NE/4 and NE/4 SE/4  
of Section 2; S/2 SE/4 of Section 2;  
N/2 NE/4 of Section 11

(b) That no well shall be drilled or produced in said pool except it be in conformity with the spacing and proration unit pattern hereinabove authorized unless, after notice and hearing, a special order of authorization is had and obtained from the Commission.

(c) That should any well be drilled off-pattern, under authority of any special order, then, and in that event, the same shall be entitled only to an allowable equal to that of a standard 40-acre proration unit with deep-pool adaptation as provided by Commission rules. Nothing contained in this order shall be construed as requiring by the Commission the drilling of any wells at any location.

IT IS FURTHER ORDERED, That the Bagley-Siluro-Devonian Pool and the 80-acre proration units therein, hereby established and confirmed, be and the same hereby are granted an allowable for the duration of this order equal to the top allowable for wells in the Siluro-Devonian depth range, calculated by the use of the 80-acre proportional factor as provided for in Rule 505 of the Rules and Regulations of this Commission, together with the acreage factor, if any there be;

PROVIDED, HOWEVER, That no well in such pool will be assigned an allowable greater than the amount of oil produced on official gas-oil ratio tests during a 24-hour period in compliance with Rule 301 of the said Rules and Regulations:

IT IS FURTHER ORDERED:

(a) That each operator in the Bagley-Siluro-Devonian Pool be, and each of them hereby is required to file with the Commission at its office in Santa Fe, New Mexico (copies to Hobbs office) on or before the 15th day of each and every month during the term of this order a tabulated report covering each well operated by him for the preceding month; such reports shall show:

- (1) The Allowable
- (2) The actual Oil Production
- (3) The Oil runs
- (4) Water production
- (5) Gas production
- (6) Cumulative oil, water and gas production;

provided, however, that such special reports aforesaid are supplementary of and in addition to regular reports and surveys now or hereafter required under the Rules and Regulations of the Commission.

(b) That each operator in said pool shall take or cause to be taken bottomhoe pressure tests of each producing well operated by him in said pool during the months of July, 1953, and January, 1954; the results of such tests shall be tabulated, and reflects the pressure of each well; the same shall be filed on or before the 5th day of August, 1953, and the 5th day of February, 1954, respectively, with the Commission at Santa Fe, New Mexico (with copies to Hobbs, office);

Page -3-

Case No. 249

(Consolidated with Case No. 315)

Order No. R-69-C

It is further provided, that such bottom-hole pressure tests shall be taken in conformity with the requirements of Rule 302 of the Commission's Rules and Regulations as revised. Should Form C-124 be used, the same should be designated as special Bagley-Siluro-Devonian Report, File Case 249.

IT IS FURTHER ORDERED:

(a) That this case be held open on the docket of the Commission for such further order or orders as may be necessary to meet arising situations adversely affecting the prevention of waste and/or protection of correlative rights; and,

(b) That not later than the regularly set hearing the Commission for May 1954 the operators in said pool are hereby required to respond to an Order to show Cause, to be issued by the Commission, why said pool should not be reverted to 40-acre spacing and standard proration units.

This order supersedes all previous temporary orders and interlocutory orders heretofore issued in this case.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. DEWEM, Chairman

E. S. BAKER, Member

R. R. Spurrier, Secretary

S E A L