

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. 226  
ORDER NO. R-238

THE APPLICATION OF THE NEW MEXICO OIL  
CONSERVATION COMMISSION, UPON ITS OWN  
MOTION, FOR THE GENERAL REVIEW, RESTATE-  
MENT AND/OR AMENDMENT OF ANY AND ALL PARA-  
GRAPHS OF RULE 104 PROMULGATED BY ORDER 850,  
EFFECTIVE JANUARY 1, 1950, AND SET OUT WITHIN  
RULES AND REGULATIONS EFFECTIVE JANUARY 1, 1950.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing on July 6, 1950 at 10:00 o'clock a. m. at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on the 29th day of December, 1952, the Commission, a quorum being present, having considered the testimony adduced at the hearing 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 there is need for a revision of Paragraphs (a), (b), (c), (d) and (e) of Rule 104 of the Commission's Rules and Regulations.

IT IS THEREFORE ORDERED:

That Paragraphs (a), (b), (c), (d) and (e) of Rule 104 of the Commission's Rules and Regulations be and the same hereby are amended and revised as follows:

RULE 104. WELL SPACING; ACREAGE REQUIREMENTS FOR DRILLING TRACTS.

- (a) Any well drilled a distance of one mile or more from the outer boundary of any defined oil or gas pool shall be classified as a wildcat well. Any well drilled less than one mile from the outer boundary of a defined oil or gas pool shall be spaced, drilled, operated and produced in accordance with the regulations in effect in said oil or gas pool.
- (b) Any well classified as a wildcat shall be located on a tract of not less than 40 surface contiguous acres substantially in the form of a square which is a quarter quarter section or lot being a legal subdivision of the U. S. Public Land Survey and shall be

within 100 feet of the center of the 40-acre subdivision, except in San Juan, Rio Arriba and McKinley Counties where a wildcat well shall be located on not less than 160 surface contiguous acres substantially in the form of a square which is a quarter Section or lot being a legal subdivision of the U. S. Public Land Survey and shall not be located closer than 660 feet to the outer boundaries nor closer than 330 feet to the inner boundaries of the governmental quarter quarter section upon which it is drilled.

- (c) Each well drilled within a defined oil pool shall be located on a tract consisting of approximately 40 surface contiguous acres substantially in the form of a square which is a legal subdivision of the U. S. Public Land Surveys or on a governmental quarter quarter section or lot and shall not be drilled closer than 330 feet to any boundary line of such tract or closer than 660 feet to the nearest well drilling to or capable of producing from the same pool.
- (d) Each well drilled within a defined gas pool shall be located on a tract consisting of not less than a quarter section of approximately 160 surface contiguous acres substantially in the form of a square which shall be a legal subdivision (quarter section) of the U. S. Public Land Surveys and shall not be drilled closer than 660 feet to any outer boundary line of the tract nor closer than 330 feet to any quarter quarter section or subdivision inner boundary nor closer than 1320 feet to a well drilling to or capable of producing from the same pool.
- (e) Notice of Intention to Drill (Form C-101) for any well shall designate the exact legal subdivisions allotted to the well and no C-101 shall be approved by the Commission or any of its agents without proper designation of acreage.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

/s/ Edwin L. Mechem

/s/ Guy Shepard, Member

/s/ R. R. Spurrier, Secretary

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