

Entered August 14, 1959
W.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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 1730
Order No. R-1053-D

APPLICATION OF AMBASSADOR OIL
CORPORATION FOR CAPACITY
ALLOWABLES FOR FIVE WELLS IN
ITS WATER FLOOD PROJECT IN THE
CAPROCK-QUEEN POOL, LEA AND
CHAVES COUNTIES, NEW MEXICO,
AND FOR ESTABLISHMENT OF AN
ADMINISTRATIVE PROCEDURE FOR
GRANTING CAPACITY ALLOWABLES
TO WELLS IN SAID PROJECT

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on July 31, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 1st day of August, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 applicant, Ambassador Oil Corporation, was authorized by Order No. R-1053, and subsequent amendments thereto, to institute and operate a water flood project on its North Caprock Queen Unit No. 2, in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico.
- (3) That the applicant seeks capacity allowables for the following-described wells in said project:

-2-

Case No. 1730

Order No. R-1053-D

TOWNSHIP 13 SOUTH, RANGE 31 EAST, NMPM,
CHAVES COUNTY, NEW MEXICO

Well No. 1-2, NE/4 NE/4 of Section 1

Well No. 3-2, NE/4 NW/4 of Section 1

Well No. 27-2, NE/4 SE/4 of Section 11

Well No. 24-1, SW/4 SW/4 of Section 12

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM,
LEA COUNTY, NEW MEXICO

Well No. 19-3, SW/4 SW/4 of Section 7

(4) That capacity allowables for the above-described wells should be granted in view of the possibility that waste will occur if the production from said wells is restricted.

(5) That, as requested by the applicant, an administrative procedure should be established whereby capacity allowables may be granted to wells in said project without notice and hearing when such wells have received a response to water injection enabling them to produce in excess of top unit allowable for the Caprock-Queen Pool.

IT IS THEREFORE ORDERED:

(1) That the following-described wells on applicant's North Caprock Queen Unit No. 2, in the Caprock-Queen Pool, Lea County and Chaves County, New Mexico, be and the same are hereby granted allowables equal to their capacity to produce, effective at 7:00 o'clock a.m., Mountain Standard Time, July 31, 1959.

TOWNSHIP 13 SOUTH, RANGE 31 EAST, NMPM,
CHAVES COUNTY, NEW MEXICO

Well No. 1-2, NE/4 NE/4 of Section 1

Well No. 3-2, NE/4 NW/4 of Section 1

Well No. 27-2, NE/4 SE/4 of Section 11

Well No. 24-1, SW/4 SW/4 of Section 12

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM,
LEA COUNTY, NEW MEXICO

Well No. 19-3, SW/4 SW/4 of Section 7

(2) That the Proration Manager of the Commission be and the same is hereby authorized to assign an allowable equal to the well's capacity to produce, for any well in the above-mentioned project. In order to obtain such capacity allowables, the operator shall file Form C-116 showing the producing capacity of the wells for which such request is made.

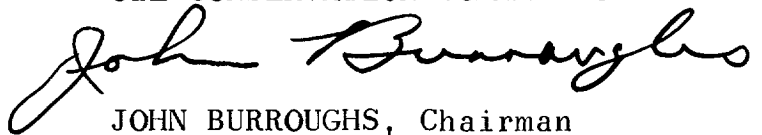
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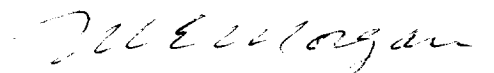
Case No. 1730

Order No. R-1053-D

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

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