

*Entered February 24, 1959
A.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. 1591
Order No. R-1334

APPLICATION OF ANGELS PEAK OIL COMPANY
FOR AN ORDER GRANTING SPECIAL ALLOWABLES
FOR TWO WELLS IN THE FULCHER KUTZ-PICTURED
CLIFFS POOL IN SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 4, 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 12th day of February, 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, Angels Peak Oil Company, is the owner and operator of the following-described wells:

Angels Peak Well No. 3, located 595 feet from the North line and 1240 feet from the East line of Section 11.

Angels Peak Well No. 5, located 285 feet from the North line and 1520 feet from the West line of Section 11

both in Township 28 North, Range 11 West, NMPM, San Juan County, New Mexico.

(3) That the above-described wells were drilled prior to June 22, 1948, on which date Order No. 748 was entered by the Commission changing the drilling and spacing units for gas wells from 40 acres to 160 acres.

-2-

Case No. 1591
Order No. R-1334

(4) That the applicant seeks an order granting each of the above-described wells a special allowable of 1500 MCF per month in exception to the Special Rules and Regulations for the Fulcher Kutz-Pictured Cliffs Pool on the ground that said wells will be prematurely abandoned unless such special allowables are assigned thereto.

(5) That the preponderance of the evidence presented in this case indicates that the said Angels Peak Well No. 3 will be prematurely abandoned, thereby causing waste, unless it is granted an exception to the proration formula set forth in the Special Rules and Regulations for the Fulcher Kutz-Pictured Cliffs Pool.

(6) That the applicant owns the W/2 and the N/2 E/2 of Section 10, Township 29 North, Range 11 West, which acreage is not dedicated to any well in the Fulcher Kutz-Pictured Cliffs Pool.

(7) That the N/2 E/2 of said Section 10 can, after notice and hearing, be dedicated to the said Angels Peak Well No. 5 thereby bringing the allowable for this well up to 1500 MCF per month.

(8) That accordingly the application for a special allowable for the said Angels Peak Well No. 5 should be denied.

(9) That in order to prevent premature abandonment and resulting waste, the said Angels Peak Well No. 3 should be assigned an allowable equal to its capacity to produce or 1500 MCF per month, whichever is less.

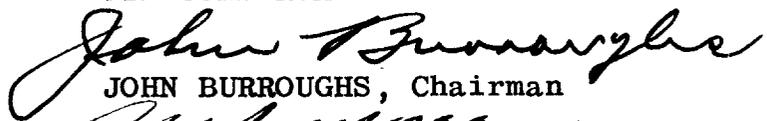
IT IS THEREFORE ORDERED:

(1) That the application for a special allowable of 1500 MCF per month for the Angels Peak Well No. 5, located 285 feet from the North line and 1520 feet from the West line of Section 11, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, be and the same is hereby denied.

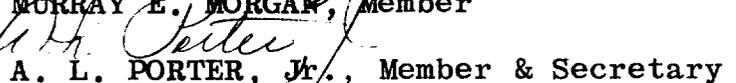
(2) That the Angels Peak Well No. 3, located 595 feet from the North line and 1240 feet from the East line of said Section 11, shall be assigned a special allowable equal to its capacity to produce or 1500 MCF per month, whichever is less, effective February 1, 1959.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

S E A L
ir/