BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Entered December 31, 1957 Q.J.P.

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 1828 Order No. R-1555

APPLICATION OF FRANCIS L. HARVEY FOR THE CREATION OF A NEW OIL POOL FOR MESAVERDE PRODUCTION IN SECTION 21, TOWNSHIP 18 NORTH, RANGE 3 WEST, SANDOVAL COUNTY, NEW MEXICO, AND FOR 2½-ACRE SPACING IN SAID POOL

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 11, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 <u>l6th</u> day of December, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 on the basis of a discovery well drilled in the NW/4 SE/4 of Section 21, Township 18 North, Range 3 West, NMPM, Sandoval County, New Mexico, to a depth of less than 1000feet, the applicant, Francis L. Harvey, seeks an order creating a new oil pool for Mesaverde production to be known as the San Luis-Mesaverde Oil Pool and to comprise the NW/4 SE/4 of said Section 21.

(3) That the applicant seeks an exception to Rule 104 of the Commission Rules and Regulations to provide that wells drilled in said San Luis-Mesaverde Oil Pool may be located 150 feet from the outer boundary line of the quarter-quarter section on which they are located and to provide that they may be located 300 feet from the nearest well producing from the same common source of supply.

(4) That approval of the subject application will neither cause waste nor impair correlative rights provided that no 40-acre proration unit in said pool shall receive in excess of a 40-acre

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top unit allowable for wells in the O-5000 foot depth range in Northwest New Mexico, regardless of the number of wells drilled on said 40-acre proration unit.

IT IS THEREFORE ORDERED:

(1) That a new pool in Sandoval County, New Mexico, classified as an oil pool for Mesaverde production, be and the same is hereby created and designated as the San Luis-Mesaverde Oil Pool, consisting of the following-described acreage:

TOWNSHIP 18 NORTH, RANGE 3 WEST, NMPM Section 21: NW/4 SE/4

(2) That for allowable purposes, the 40-acre proportional factor for pools in the 0-5000 foot depth range shall apply to the said San Luis-Mesaverde Oil Pool.

(3) That special rules and regulations for the said San Luis-Mesaverde Oil Pool be and the same are hereby promulgated as hereinafter set forth.

SPECIAL RULES AND REGULATIONS FOR THE SAN LUIS-MESAVERDE OIL POOL

<u>RULE 1</u>. Each well drilled in the San Luis-Mesaverde Oil Pool shall be located no nearer than 150 feet to the outer boundary of the quarter-quarter section on which it is located and shall be located no nearer than 300 feet to the nearest well producing from the same common source of supply; provided, however, that offset wells to the discovery well which are drilled in the NW/4 SE/4 of Section 21 may be located nearer than 300 feet to the discovery well.

<u>RULE 2</u>. No 40-acre proration unit in said San Luis-Mesaverde Oil Pool shall produce in excess of the 40-acre top unit allowable for wells in the 0-5000 foot depth in Northwest New Mexico, regardless of the number of wells drilled on such 40-acre proration unit.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION JOHN BURROUGHS, Chairman Mentora MURRAY E. MORGAN, Member ter L. PORTER, Jr., Member & Secretary

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