BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

a.L.P.

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

> CASE No. 1824 Order No. R-1556

APPLICATION OF THE ATLANTIC REFINING COMPANY FOR PERMISSION TO RECOMPLETE IN THE DENTON-WOLFCAMP POOL A WELL WHICH IS LOCATED CLOSER THAN 660 FEET TO A PRODUCING WELL IN THE SAME COMMON SOURCE OF SUPPLY IN LEA COUNTY, NEW MEXICO, IN EXCEPTION TO RULE 104 (c) OF THE COMMISSION RULES AND REGULATIONS

## 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.

NON, on this <u>16th</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 the applicant is the operator of the Federal Jones Well No. 2, a Denton (Devonian) oil well located 330 feet from the South line and 330 feet from the East line of Section 34, Township 14 South, Range 37 East, NMPM, Lea County, New Mexico, which well has reached the economic production limit in the Devonian formation.

(3) That the applicant seeks an exception to Rule 104 (c) of the Commission Rules and Regulations in order to recomplete the said Federal Jones Well No. 2 in the Denton-Wolfcamp Pool, which well is located closer than 660 feet to another Denton-Wolfcamp well operated by the applicant on the same 40-acre tract (SE/4 SE/4 of said Section 34). -2-Case No. 1824 Order No. R-1556

(4) That in view of the fact that if the application is approved, the applicant will not crowd the acreage of any offset operator, approval of the subject application will not impair correlative rights.

(5) That approval of the subject application will not cause waste.

## IT IS THEREFORE ORDERED:

That the applicant be and the same is hereby authorized to recomplete in the Denton-Wolfcamp Pool the Federal Jones Well No. 2, located 330 feet from the South line and 330 feet from the East line of Section 34, Township 14 South, Range 37 East, NMPM, Lea County, New Mexico, in exception to Rule 104 (c) of the Commission Rules and Regulations.

PROVIDED HONEVER, That the total monthly production from all wells on the 40-acre unit (SE/4 SE/4 of said Section 34) shall not exceed a 40-acre allowable for said Denton-Wolfcamp Pool.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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JOHN BURROUGHS, Chairman

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MURRAY E. MORGAN, Member

1. PORTER, Jr., Member & Secretary

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