Entered Colaker 16, 1962

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. 2345 Order No. R-2049-A

APPLICATION OF CONTINENTAL OIL COMPANY FOR THE ESTABLISHMENT OF SPECIAL RULES AND REGULATIONS FOR THE RATTLESNAKE-PENNSYLVANIAN POOL, 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 August 29, 1962, 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>4th.</u> day of September, 1962, 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 by Order No. R-2049, entered in Case No. 2345 on August 29, 1961, temporary Special Rules and Regulations were promulgated for the Rattlesnake-Pennsylvanian Pool.

(3) That the evidence presented at the hearing of this case establishes that the Rattlesnake-Pennsylvanian Pool can be efficiently and economically drained and developed on 80-acre proration units.

(4) That the evidence establishes that it would be uneconomical to develop the pool on 40-acre proration units due to the high cost of drilling, equipping, and producing the wells.

(5) That the evidence establishes that continued development of the pool on 80-acre proration units will not cause waste or impair correlative rights. -2-CASE No. 2345 Order No. R-2049-A

(6) That the temporary Special Rules and Regulations promulgated for the subject pool by Order No. R-2049 should be made permanent, effective September 1, 1962.

IT IS THEREFORE ORDERED:

(1) That the temporary Special Rules and Regulations promulgated for the Rattlesnake-Pennsylvanian Pool by Order No. R-2049, entered in Case No. 2345 on August 29, 1961, are hereby made permanent.

(2) That this order shall be effective September 1, 1962.

(3) That the horizontal limits of the Rattlesnake-Pennsylvanian Pool are defined to include only the SW/4 of Section 1 and the E/2 of Section 2, Township 29 North, Range 19 West, NMPM, San Juan County, New Mexico.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

esualher WALKER, Member

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

SEAL

esr/