

Entered September 17, 1963
A. H. 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. 2877
Order No. R-2476-A

APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN EXTENSION OF THE
PROVISIONS OF ORDER NO. R-2476,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 7, 1963, 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 23rd day of August, 1963, 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 Commission, by Order No. R-2476 entered on May 3, 1963, authorized the applicant, Continental Oil Company, to conduct certain pressure interference tests in the Oil Center-Blinebry Pool, Lea County, New Mexico, and to transfer the allowable during such test from its Continental Meyer B-4 Well No. 19 to other wells on the same basic lease.

(3) That Order No. R-2476 limited such allowable transfer during the interference test to a 60-day period, with the provision that the Secretary-Director could, for good cause shown, extend the interference test period for an additional period not to exceed 30 days.

(4) That the evidence indicates that the information obtained to date during such interference test is inconclusive, and that continued testing and permission to transfer allowables will supplement pressure performance data obtained to date.

(5) That Order No. R-2408 entered by the Commission on January 16, 1963, promulgated temporary rules and regulations for the Oil Center-Blinebry Pool, including a provision for 80-acre spacing; the order further provided that Case No. 2727 shall be reopened at an examiner hearing in January, 1964, at which time the operators in the subject pool may appear and show cause why the Oil Center-Blinebry Pool should not be developed on 40-acre proration units.

(6) That the pressure interference tests and allowable transfer provisions of Order No. R-2476 should be extended through December 31, 1963.

(7) That the proposed extension of the pressure interference tests and allowable transfer provisions are in the interest of conservation and prevention of waste, and correlative rights will not be impaired.

IT IS THEREFORE ORDERED:

(1) That the pressure interference test authorized by Order No. R-2476 and the transfer of allowable accruing to the Continental Meyer B-4 Well No. 19, located in Unit O of Section 4, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, to other wells on the same basic lease is hereby extended from August 10, 1963, through December 31, 1963.

(2) That for good cause shown, the Secretary-Director of the Commission is hereby authorized to extend the interference test period and the allowable transfer provisions authorized by this order for an additional period not to exceed 30 days.

(3) 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


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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

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