BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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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. 2891 Order No. R-2568 NOMENCLATURE

APPLICATION OF CONTINENTAL OIL COMPANY FOR THE CREATION OF A NEW OIL POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 4, 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 <u>17th</u> day of September, 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 applicant, Continental Oil Company, seeks an order creating a new oil pool for Delaware production comprising portions of Sections 30 and 31, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, to be designated the Battleaxe-Delaware Oil Pool.

(3) That the Delaware formation underlying the SW/4 SE/4 of Section 30, the NW/4 NE/4, NE/4 NW/4, and Lots 2, 3, 4, and 5 of Section 31, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, constitutes a separate and distinct common source of supply that should be designated the Battleaxe-Delaware Oil Pool.

(4) That the Battleaxe-Delaware Oil Pool was discovered on December 4, 1960, by the Russell Federal 30 Well No. 1, located 660 feet from the South line and 1980 feet from the East line of Section 30, Township 26 South, Range 32 East, NMPM, Lea County, New Mexico, with the casing shoe at 4405 feet. -2-CASE No. 2891 Order No. R-2568

(5) That in order to prevent waste and protect correlative rights, the allowable assigned to wells located within the Battle-axe-Delaware Oil Pool should not affect any well located outside the horizontal limits of said pool.

IT IS THEREFORE ORDERED:

(1) That effective December 4, 1960, a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production, is hereby created and designated the Battleaxe-Delaware Oil Pool, consisting of the following-described acreage:

> TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM Section 30: SW/4 SE/4 Section 31: NW/4 NE/4, NE/4 NW/4, and Lots 2, 3, 4, and 5

(2) That notwithstanding the provisions of Rule 104 of the Commission Rules and Regulations, the allowable assigned to wells in the Battleaxe-Delaware Oil Pool shall not affect the allowable assigned to any well located outside the horizontal limits of said pool.

(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

K M. CAMPBELL Chairman LILCREALE E

S. WALKER, Member

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

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