Entered Which 31, 1964 Cont. 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. 2999 Order No. R-2668

APPLICATION OF PHILLIPS PETROLEUM COMPANY FOR TWO NON-STANDARD OIL PRORATION UNITS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 19, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>18th</u> day of March, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Phillips Petroleum Company, seeks approval of a non-standard 80-acre oil proration unit in the Vacuum-Wolfcamp and the North Vacuum-Abo Pools comprising the NW/4 SW/4 and the SW/4 NW/4 of Section 31, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, to be dedicated to its dually completed Santa Fe Well No. 87, located 2130 feet from the South line and 660 feet from the West line of said Section 31.

(3) That one well can efficiently and economically drain and develop the proposed non-standard 80-acre oil proration units.

(4) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the subject application should be approved. -2-CASE No. 2999 Order No. R-2668

IT IS THEREFORE ORDERED:

(1) That a non-standard 80-acre oil proration unit in the Vacuum-Wolfcamp Pool comprising the NW/4 SW/4 and the SW/4 NW/4 of Section 31, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, is hereby approved and dedicated to the Phillips Petroleum Company Santa Fe Well No. 87, located 2130 feet from the South line and 660 feet from the West line of said Section 31.

(2) That a non-standard 80-acre oil proration unit in the North Vacuum-Abo Pool comprising the NW/4 SW/4 and the SW/4 NW/4 of said Section 31 is hereby approved and dedicated to the above-described Santa Fe Well No. 87.

(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

2. C. -S. WALKER, Member Е eun, PORTER, Jr., Member & Secretary

SEAL