

Entered February 8, 1968
A.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. 3708
Order No. R-3376

APPLICATION OF BTA OIL PRODUCERS
FOR SPECIAL AREA RULES, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 10, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of February, 1968, 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, BTA Oil Producers, seeks the promulgation of special rules and regulations for that area of Lea County, New Mexico, including the Vada-Pennsylvanian, Lane-Pennsylvanian, and a portion of the Middle Lane-Pennsylvanian Pools, and described as follows:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 36: All

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
Sections 15 through 22: All
Sections 27 through 33: All

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TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM

Sections 1 through 3: All
Sections 10 through 12: All
Section 13: N/2
Section 14: N/2
Section 15: N/2

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM

Sections 4 through 9: All
Section 16: N/2
Section 17: N/2
Section 18: N/2

(2) That the applicant proposes the adoption of 160-acre proration units for the above-described area, or within one mile thereof, for the Bough "C" zone of the Pennsylvanian formation with each proration unit to be assigned an 80-acre proportional factor of 4.77 for allowable purposes and that the rules presently contained in Commission Order No. R-3179-A, Temporary Rules, Vada-Pennsylvanian Pool, be adopted and made permanent for the above-described area, or

(3) In the alternative, the applicant proposes that certain of the above-described lands be deleted from the Lane-Pennsylvanian and Middle Lane-Pennsylvanian Pools, and that the Vada-Pennsylvanian Pool be extended to include all of the above-described lands therein.

(4) That the evidence presently available indicates that the above-described area contains acreage that has been proven non-productive of oil or gas, or both oil and gas, in the Bough "C" zone of the Pennsylvanian formation; that the subject area also contains extensive acreage that has not been proven productive of oil or gas, or both oil and gas, in said zone.

(5) That the evidence presently available, therefore, does not establish that the above-described area constitutes a common accumulation of oil or gas, or both oil and gas, in the Bough "C" zone of the Pennsylvanian formation.

(6) That the application seeking the promulgation of special rules and regulations, including a provision for 160-acre proration

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units, for the above-described area is premature, would not otherwise prevent waste or protect correlative rights, and should be denied.

IT IS THEREFORE ORDERED:

- (1) That the subject application is hereby denied.
- (2) 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

DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

S E A L

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