Entered March 5,1767 A.J.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. 4052 Order No. R-3697 NOMENCLATURE

APPLICATION OF MOBIL OIL CORPORATION FOR A POOL CREATION AND DISCOVERY ALLOWABLE, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 26, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>5th</u> day of March, 1969, 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, Mobil Oil Corporation, seeks the creation of a new oil pool for Pennsylvanian production in Chaves County, New Mexico, comprising the NE/4 NE/4 of Section 7, Town-ship 8 South, Range 30 East, NMPM, and the assignment of an oil discovery allowable in the amount of approximately 35,590 barrels to the discovery well.

(3) That the Mobil Oil Corporation C. L. O'Brien Well No. 1, located in Unit A of said Section 7, has discovered a separate common source of supply which should be designated the Lightcap-Pennsylvanian Pool; that the vertical limits of said pool should be the Pennsylvanian formation as found in the interval from 7098 feet to 7168 feet on the log of the aforesaid Mobil Oil Corporation C. L. O'Brien Well No. 1; and that the horizontal limits of said pool should be the NE/4 NE/4 of said Section 7. -2-CASE No. 4052 Order No. R-3697

(4) That the discovery well for the aforesaid pool, Mobil Oil Corporation's C. L. O'Brien Well No. 1, is entitled to and should receive a bonus discovery oil allowable in the amount of 35,590 barrels, based upon the top perforations in said well at 7118 feet, to be assigned over a two-year period.

IT IS THEREFORE ORDERED:

(1) That a new pool in Chaves County, New Mexico, classified as an oil pool for Pennsylvanian production, is hereby created and designated the Lightcap-Pennsylvanian Pool, with vertical limits comprising the Pennsylvanian formation as found in the interval from 7098 feet to 7168 feet on the log of the discovery well, Mobil Oil Corporation's C. L. O'Brien Well No. 1, located in Unit A of Section 7, Township 8 South, Range 30 East, NMPM, Chaves County, New Mexico, and horizontal limits comprising the NE/4 NE/4 of said Section 7.

(2) That the aforesaid discovery well is hereby authorized an oil discovery allowable of 35,590 barrels to be assigned to said well at the rate of 49 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

(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

DAVID F. CARGO, Chairman

124 ALEX J, ARMIJO Member L. PORTER, Jr., Member & Secretary

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