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. 599 Order No. R-386-A

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CALLING FOR THE EXTENSION OF EXISTING POOLS AND THE CREATION OF NEW POOLS IN LEA COUNTY, NEW MEXICO: SPECIFICALLY, FOR CONSIDERATION OF SECTION 'A; THEREOF, DEFERRED FROM OCTOBER 15, 1953, HEARING.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 15, 1953, and on January 20, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 17th day of March, 1954, the Commission, a quorum being present, having considered the testimony adduced, including the results of an engineering staff study, and being otherwise 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 when other aspects of Case No. 599 were considered and acted upon after the October 15, 1953 hearing, creation of the East Hobbs-Seven Rivers Oil Pool was deferred pending the outcome of a Commission study of bottom-hole pressure surveys in the area to determine the true nature of the reservoir.

(3) That studies of gas-oil ratio and bottom-hole pressure tests indicate that in the East Hobbs Pool there exists a clearly defined Seven Rivers pay section, as distinguished from the East Hobbs-San Andres pay previously classified, defined and described, and that therefore creation of a separate pool is indicated, to include:

> Twp. 18 South, Range 35 East, NMPM All of Section 25

Entered 3-29-54 QR

-2-Case No. 599 Order No. R-386-A

IT IS THEREFORE ORDERED:

That a new pool be created in Lea County, New Mexico, classified as an oil pool for Seven Rivers production, designated as the East Hobbs-Seven Rivers Pool, and described as:

Twp. 18 South, Range 38 East, NMPM All of Section 25

(Creation of this pool is based upon Hardin-Houston's discovery well C. A. Taylor No. 1, NE/4 SW/4 Section 25, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico, completed on August 17, 1953, producing from the Seven Rivers formation with casing perforations 3852-3866 feet.)

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO DIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary

SEAL