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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION TO CONSIDER THE INCLUSION OF THE NW/4 OF SECTION 10, TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM, LEA COUNTY, NEW MEXICO, IN THE ALLISON-PENNSYLVANIAN POOL OR THE VADA-PENNSYLVANIAN POOL, WHICHEVER IS PROPER.

> CASE No. 4332 Order No. R-3959 NOMENCLATURE

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 15, 1970, at Hobbs, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>5th</u> day of May, 1970, 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 Blackrock Oil Company on December 31, 1969, completed its Mobil Atlantic Federal Well No. 1 as an oil well producing from the Bough "C" zone of the Pennsylvanian formation at a location 660 feet from the North line and 660 feet from the West line of Section 10, Township 9 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That said location lies between the horizontal boundaries of the Allison-Pennsylvanian and Vada-Pennsylvanian Pools, Lea County, New Mexico.

(4) That the Commission set Case 4332 on its own motion in order to determine whether the above-described well and the NW/4 of said Section 10 should be placed in the Allison or Vada Pool.

(5) That a typical well completed in the Allison-Pennsylvanian Pool produces considerably more oil than water. -2-CASE No. 4332 Order No. R-3959

(6)That a typical well completed in the Vada-Pennsylvanian Pool produces considerably more water than oil.

(7) That the above-described well produces notably more oil than water.

(8) That the producing characteristics of the above-described well more nearly conform to the producing characteristics of wells completed in the Allison-Pennsylvanian Pool than of wells completed in the Vada-Pennsylvanian Pool and should, therefore, be spaced, operated, and produced in accordance with the Special Rules and Regulations governing the Allison-Pennsylvanian Pool.

That the evidence indicates that all or a portion of the (9) NW/4 of said Section 10 is productive of oil from the Allison-Pennsylvanian Pool.

(10) That the horizontal limits of the Allison-Pennsylvanian Pool should be extended to include the NW/4 of Section 10, Township 9 South, Range 36 East, NMPM, Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(1) That the horizontal limits of the Allison-Pennsylvanian Pool, Lea County, New Mexico, are hereby extended to include therein the following-described lands:

> TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM Section 10: NW/4

(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 CONS ERVATION COMMISSION Chạỉn DAVID F. CĂRGO, han Membe

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Member & Secretary PORTER, Jr.,