Entered June 25, 1713 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. 4969 Order No. R-4557

APPLICATION OF AMOCO PRODUCTION COMPANY FOR A SPECIAL DEPTH BRACKET ALLOWABLE, SAN JUAN COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 23, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>25th</u> day of June, 1973, 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, Amoco Production Company is the operator of 17 producing wells in the Tocito Dome-Pennsylvanian "D" Oil Pool, San Juan County, New Mexico.

(3) That the applicant seeks the assignment of a special depth bracket allowable of 764 barrels of oil per day for the Tocito Dome-Pennsylvanian "D" Oil Pool, San Juan County, New Mexico, to replace the current regular depth bracket allowable for said pool of 382 barrels per day.

(4) That the evidence presently available indicates that the assignment of a special depth bracket allowable to wells in the subject pool will not result in damage to the reservoir or cause waste, and will be in the interest of protection of correlative rights.

(5) That special depth bracket allowables should be

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assigned for a temporary period to expire six months from the date of this order; that during this period all operators in the subject pool should gather all available information relative to the effects on said reservoir.

(6) That this case should be reopened at an examiner hearing six months from the effective date of this order, at which time the operators in the subject pool should appear and show cause why the temporary special depth bracket allowables should be made permanent.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amoco Production Company is hereby given approval of a temporary special depth bracket allowable of 764 barrels of oil per day as hereby established as top unit allowable for the Tocito Dome-Pennsylvanian "D" Oil Pool, San Juan County, New Mexico.

(2) That this case shall be reopened at an examiner hearing six months from the effective date of this order, at which time the operators in the subject pool may appear and show cause why the temporary special depth bracket allowable of 764 barrels of oil per day for the Tocito Dome-Pennsylvanian "D" Oil Pool, San Juan County, New Mexico should be made permanent.

(3) That the Secretary Director of the Commission may, at any time it appears that premature water encroachment or water coning is occurring, or other evidence of reservoir damage is apparent, rescind the provisions of this order and cause the top unit allowable for the Tocito Dome-Pennsylvanian "D" Oil Pool to revert to 382 barrels of oil per day.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member n. -A. L. PORTER, Jr., Member & Secretary

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