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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 OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 5152 Order No. R-4713

APPLICATION OF PETRO-LEWIS CORPORATION FOR A SPECIAL DEPTH BRACKET ALLOWABLE, SANDOVAL COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 16, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>24th</u> day of January, 1974, 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, Petro-Lewis Corporation, is the sole operator in the Media-Entrada Oil Pool, Sandoval County, New Mexico.

(3) That the applicant seeks the assignment of a special depth bracket allowable of 750 barrels of oil per day for the Media-Entrada Pool to replace the current regular depth bracket allowable for said pool of 347 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 the applicant should install production equipment at each of the existing 160 acre non-standard spacing units to produce these units in such a manner as to minimize the fluid head differential between said units to eliminate, insofar as may be practicable, drainage which may not be offset by counter drainage. -2-Case No. 5152 Order No. R-4713

(6) That the special depth bracket allowable should be 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.

(7) That this case should be reopened at an examiner hearing in July, 1974, 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 a temporary special depth bracket allowable of 750 barrels of oil per day is hereby established for the Media-Entrada Oil Pool, Sandoval County, New Mexico.

(2) That this case shall be reopened at an examiner hearing in July, 1974, at which time the operators in the subject pool may appear and show cause why the temporary special depth bracket allowable should not be rescinded.

(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 Media-Entrada Oil Pool to revert to 347 barrels of oil per day.

(4) That each month the applicant shall take production fluid level tests on each producing well in the pool and shall report the results of these tests along with other pertinent monthly well production data to the Aztec district office of the Commission.

(5) 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 ... -0 ı, R. TRUJILLO, Chairman Mach ARM 10, Member L PORTER, Jr., Member Secretary L.

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