Entered april 1, 1975 D. 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. 5447 Order No. R-4857-A

APPLICATION OF C & K PETROLEUM, INC., FOR AMENDMENT OF ORDER NO. R-4857, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 19, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>lst</u> day of April, 1975, 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 by Order No. R-4857, entered September 10, 1974, the Commission pooled all mineral interests, whatever they may be, in the Pennsylvanian formation underlying the SW/4 SE/4 of Section 27, Township 16 South, Range 37 East, NMPM, Lea County, New Mexico, to form a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at an orthodox location for said unit, and further providing that in the event said well should be completed in the Devonian formation, said formation would also be deemed to be pooled.

(3) That subsequent to the entry of the aforesaid order, the applicant, C & K Petroleum, Inc., completed the well as a dry hole in the Devonian formation and plugged said well back to the Strawn formation where it was completed as a producing oil well.

(4) That by Order No. R-4992, dated April 1, 1975, the Commission created the Casey-Strawn Pool comprising the SE/4 of Section 27, Township 16 South, Range 37 East, and promulgated Temporary Special Rules and Regulations therefor, including a provision for 80-acre spacing and proration units. -2-Case No. 5447 Order No. R-4857-A

(5) That in the instant case, the applicant, C & K Petroleum, Inc., seeks the amendment of Order No. R-4857 to change the area pooled in said order from the SW/4 SE/4 of Section 27, Township 16 South, Range 37 East, NMPM, Lea County, New Mexico, to the entire S/2 SE/4 of said Section 27, to comply with the spacing provisions as set forth in the aforesaid Order No. R-4992.

(6) That all mineral interests in the SW/4 SE/4 and the SE/4 SE/4 of said Section 27 are identical, and the aforesaid proposed amendment will not adversely affect any party's interest in the subject well.

(7) That the amendment of Order No. R-4857 as proposed will not cause waste nor violate correlative rights and should be approved.

IT IS THEREFORE ORDERED:

(1) That Order Paragraph (1) of Order No. R-4857 is hereby amended to read in its entirety as follows:

"(1) That all mineral interests, whatever they may be, in the Pennsylvanian formation underlying the S/2 SE/4 of Section 27, Township 16 South, Range 37 East, NMPM, Lea County, New Mexico, are hereby pooled to form a standard 80-acre oil spacing and proration unit to be dedicated to a well to be drilled at an orthodox location for said unit."

(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 CONSERVATION COMMISSION TRUJILLO, Chairman Lucero Member JCERO, R. PORTER, Member & Secretary Jr.,

SEAL dr/