Entered Sept. 7. 95-

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 792 Order No. R-571-A

THE APPLICATION OF THE NEW MEXICO OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CALLING FOR THE ESTABLISHMENT OF A TEMPORARY OIL ALLOWABLE FOR THE NORTH MASON-DELAWARE POOL IN EDDY COUNTY, NEW MEXICO, SUCH ALLOWABLE TO BE COMMENSURATE WITH THE ALLOWABLE PRESENTLY ASSIGNED WELLS IN THAT PORTION OF THE POOL LYING WITHIN THE STATE OF TEXAS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at 9 o'clock a.m. on November 17, 1954, and at 9 o'clock a.m. on August 15, 1956, at Santa Fe, New Mexico, pursuant to public notice, before the Oil Conservation Commission, hereinafter referred to as the "Commission."

NOW, on this $3^{\frac{3}{2}}$ day of September, 1956, the Commission, a quorum being present, having fully considered the record and the testimony adduced at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given pursuant to law, the Commission has jurisdiction of this case.

(2) That the Commission did, by Order R-571 dated January 13, 1955, create and define the North Mason-Delaware Pool in Eddy County, New Mexico, said pool being classified as an oil pool for the production of oil from the Delaware sand; further that the Commission did by Order No. R-842 and by Order No. R-853 dated July 9, 1956 and August 10, 1956, respectively, extend the aforesaid North Mason-Delaware Pool into Lea County, New Mexico, and that the present horizontal limits of said pool are as follows:

TOWNSHIP 26		RANGE	31	EAST,	NMPM
All Section	25				
All Section	26				
All Section	35				

A11	Section	35
A11	Section	36

-2-Order No. R-571-A

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM W/2 Section 19 W/2 Section 30

(3) That the North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico, is contiguous with the North Mason (Delaware Sand) Field in Loving County, Texas, and that drainage across the state line will result if the production allowables in that portion of the common source of supply lying within the State of New Mexico are not commensurate with the production allowables in that portion of the common source of supply lying within the State of Texas.

(4) That the Commission did, by Order No. R-571, establish a temporary production allowable for that portion of the common source of supply lying within the State of New Mexico, said allowable being fixed at 48 barrels of oil per day beginning at 7 o'clock a.m., Mountain Standard Time, February 1, 1955, and continuing until 7 o'clock a.m., Mountain Standard Time, February 1, 1956.

(5) That the aforesaid temporary allowable of 48 BOPD should be extended from 7 o'clock a.m., Mountain Standard Time, February 1, 1956 to 7 o'clock a.m., Mountain Standard Time, September 1, 1956, and that the production allowable for the North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico should be fixed at 49 BOPD beginning at 7 o'clock a.m., Mountain Standard Time, September 1, 1956, and continuing until 7 o'clock a.m., Mountain Standard Time, February 1, 1957.

(6) That the establishment of such temporary production allowable for the aforesaid North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico, would be commensurate with the average production allowable assigned oil wells in that portion of the common source of supply lying within the State of Texas, and that it would be in the best interests of conservation, will provide for the recovery of oil in an efficient manner, and will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

That the application of the Commission on its own motion be and the same is hereby approved as hereinafter set out:

(1) That the North Mason-Delaware Pool as heretofore classified, created and extended, be and the same is hereby defined as follows:

TOWNSHIP 26 SOUTH, RANGE 31 EAST, NMPM All Section 25 All Section 26 All Section 35 All Section 36 TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM W/2 Section 19 W/2 Section 30

situated in Eddy and Lea Counties, New Mexico.

-3-Order No. R-571-A

(2) That a temporary production allowable for said pool within the State of New Mexico, be and the same is hereby fixed at 48 BOPD beginning at 7 o'clock a.m., Mountain Standard Time, February 1, 1955 and continuing to 7 o'clock a.m., Mountain Standard Time, September 1, 1956.

IT IS FURTHER ORDERED:

That a temporary production allowable for said North Mason-Delaware Pool within the State of New Mexico, be and the same is hereby fixed at 49 BOPD beginning at 7 o'clock a.m., Mountain Standard Time, September 1, 1956, and continuing to 7 o'clock a.m., Mountain Standard Time, February 1, 1957.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION 7 Ammy oth JOHN F. SIMMS, Chairman

ember

A. L. PORTER, Jr., /Member & Secretary

SEAL