Entered October 21/ 1955115

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. 958 Order No. R-707

THE MATTER OF THE APPLICATION OF SINCLAIR OIL AND GAS COMPANY FOR AN ORDER CREATING AND DEFINING THE DEAN-DEVONIAN POOL, AND ESTABLISH-ING A UNIFORM 40-ACRE SPACING PATTERN IN THE DEVONIAN COMMON SOURCE OF SUPPLY DISCOVERED BY THEIR J. P. DEAN WELL NO. 1, SE/4 SW/4 SECTION 35, TOWN-SHIP 15 SOUTH, RANGE 36 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on September 15, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this $\underline{/3^{th}}_{day}$ day of October, 1955, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That a common source of supply in the Devonian formation was discovered by the Sinclair Oil and Gas Company's J. P. Dean Well No. 1, located 660 feet from the south line and 1980 feet from the west line of Section 35, Township 15 South, Range 36 East, Lea County, New Mexico.

(3) That the said common source of supply should be denominated the Dean-Devonian Pool and should be classified, defined, and described as follows:

> TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM All of Sections 26 and 35 E/2 NE/4 and the SE/4 of Section 34

> TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM Lots 1, 2, 3, 4, 5, 6, 7 and 8 of Section 5 Lots 1, 2, 7 and 8 of Section 6

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(4) That geological and engineering data presented to the Commission indicates that one well will drain 40 acres, and that the Dean-Devonian Pool should be developed on 40 acre proration units.

(5) That all wells drilled in the Dean-Devonian Pool should be located near the center of each governmental quarter-quarter section, with a tolerance of 150 feet in any direction to avoid surface obstructions. That wells now drilled or presently drilling prior to issuance of this order that are not in conformance to this order, should be granted an exception to the spacing pattern.

IT IS THEREFORE ORDERED:

(1) That the Dean-Devonian Pool be and the same is hereby created as the common source of supply as discovered in the Sinclair Oil and Gas Company's J. P. Dean Well No. 1, located 660 feet from the south line and 1980 feet from the west line, Section 35, Township 15 South, Range 36 East, Lea County, New Mexico, and any extension thereof as may be determined by further development.

(2) That 40 acre proration units be and the same are hereby established for the Dean-Devonian Pool, the limits of which are hereby designated to include the following probable productive acreage:

> TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM All of Sections 26 and 35 E/2 NE/4 and SE/4 of Section 34

> TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM Lots 1 through 8 inclusive of Section 5 Lots 1, 2, 7 and 8 of Section 6

(3) That all wells drilled in the Dean-Devonian Pool shall be located in the center of each governmental quarter-quarter section, with a tolerance of 150 feet in any direction to avoid surface obstructions.

(4) That the Magnolia, Harkrider Well No. 1, located 330 feet from the east line and 1980 feet from the south line of Section 34, Township 15 South, Range 36 East, which is now drilling in this pool shall be an exception to the spacing rules herein provided.

(5) That no well shall be drilled or produced in said pool except in conformity with the spacing pattern set forth above without special order of the Commission after due notice and hearing.

(6) That individual well allowables for wells drilled in conformity with the spacing pattern set forth above shall be established in accordance with the 40 acre proportional factors provided in the rules and regulations of the Commission.

(7) That those wells completed within the Dean-Devonian Oil Pool on lots containing more than 40 acres shall have their allowables computed -3-Order No. R-707

in accordance with the provisions of Rule 104, Paragraphs h and j.

(8) That those wells located on lots containing more than 40 acres may be located 660 feet from the north line of the lot.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

John 7 Summer JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W B Micey W. B. MACEY, Member and Secretary

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