Entered April 19, 1956 147

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. 1024 Order No. R-790

THE APPLICATION OF WILSHIRE OIL COMPANY OF TEXAS FOR AN ORDER CREATING THE D-K ABO AND THE D-K DRINKARD OIL POOLS IN THE S/2 OF SECTION 19 AND THE N/2 OF SECTION 30, TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM, LEA COUNTY, NEW MEXICO AND PROMULGATING POOL RULES THEREFORE AND FOR THE DELETION OF THE N/2 OF SECTION 30, TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM, FROM THE WARREN-DRINKARD OIL POOL AND THE WARREN-ABO OIL POOLS, ALL IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on March 1, 1956 at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order R-681.

NOW, on this <u>//</u> day of April 1956, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said application, the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

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

(2) That the evidence adduced is sufficient to justify deletion of the N/2 of Section 30, Township 20 South, Range 39 East, NMPM, Lea County, New Mexico, from the Warren-Drinkard and the Warren-Abo Oil Pools.

(3) That the evidence adduced is sufficient to justify creation of the D-K Drinkard Pool for the production of oil from the Drinkard formation. Said D-K Drinkard Pool was discovered by Texas Crude Oil Company, Ralph Estate No. 1-30, located in the NE/4 of the NE/4 of Section 30, Township 20 South, Range 39 East, NMPM, Lea County, New Mexico. It was completed September 29, 1955. The top of the perforations is at 6990 feet. -2-Order No. R-790

(4) That the evidence adduced is sufficient to justify creation of the D-K Abo Pool for the production of oil from the Abo formation. Said D-K Abo Pool was discovered by Texas Crude Oil Company Carter No. 1-30, located in the NE/4 of the NW/4 of Section 30, Township 20 South, Range 39 East, NMPM, Lea County, New Mexico. It was completed November 12, 1955. The top of the perforations is at 7300 feet.

(5) That in order to maintain reservoir pressure and prevent waste of associated gas, or casinghead gas in the Drinkard Pool, a limiting gas-oil ratio should be established and that a ratio of 10,000 cubic feet of gas per barrel of oil produced is a reasonable limitation.

IT IS THEREFORE ORDERED:

(1) That the application of Wilshire Oil Company of Texas for an order creating two new oil pools in the Drinkard and Abo formations in Lea County, New Mexico, be and the same is hereby granted. Said pools are herein designated as the D-K Drinkard and D-K Abo Oil Pools and shall comprise the following described acreage in Lea County, New Mexico.

> TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM S/2 Section 19 N/2 Section 30

(2) That the N/2 Section 30, Township 20 South, Range 39 East, be and the same is hereby deleted from the Warren-Drinkard and the Warren-Abo Oil Pools in Lea County, New Mexico.

IT IS FURTHER ORDERED:

That a gas-oil ratio limit is hereby set for the D-K Drinkard Oil Pool at the rate of 10,000 cubic feet of gas for each barrel of oil produced.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

. F. hum JOHN F. SIMMS, Chairman

. S. WALKER, Member h. Parter

A. L. PORTER, Jr., Member and Secretary

SEAL

ir/

##