

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEWMEXICO

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. 191  
ORDER NO. R-2

IN THE MATTER OF THE APPLICATION OF  
AMERADA PETROLEUM CORPORATION FOR THE  
ESTABLISHMENT OF PRORATION UNITS AND  
UNIFORM SPACING OF WELLS IN THE BAGLEY-  
SILURO/DEVONIAN POOL IN LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing before the Commission on December 20, 1949 on the application of Amerada Petroleum Corporation to establish proration units and uniform spacing of wells in the Bagley-Siluro Devonian Pool in Lea County, New Mexico.

The Commission having heard the evidence, the argument of counsel and being duly advised,

FINDS:

1. The Commission has jurisdiction of the subject matter and of the interested parties, due notice of the hearing having been given.
2. The evidence is insufficient to prove that the proposed plan of spacing would avoid the drilling of unnecessary wells, secure the greatest ultimate recovery from the pool or protect correlative rights.
3. The evidence is insufficient to prove that one well drilled on each 90-acre tract would efficiently drain the recoverable oil from the pool.

IT IS THEREFORE ORDERED:

1. The application of Amerada Petroleum Corporation is denied.
2. Nothing contained herein shall be construed to be a determination by the Commission as to what constitutes "reasonable development" of any lease in the pool in relation to the implied covenants of any such lease.

DONE at Santa Fe, New Mexico, on the 23rd day of January, 1950.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

/s/ THOMAS J. MABRY, Chairman

/s/ GUY SHEPARD, Member

/s/ R. R. SPURRIER, Secretary

SEAL