Entered July 13, 1964

# 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. 3022 Order No. R-2732

APPLICATION OF SINCLAIR OIL & GAS COMPANY FOR SPECIAL POOL RULES, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 8, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of July, 1964, 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 the applicant, Sinclair Oil & Gas Company, seeks the promulgation of special pool rules for the North Vacuum-Devonian Pool, Lea County, New Mexico, establishing 80-acre spacing therein.
- (3) That due to the location of existing wells in the North Vacuum-Devonian Pool, the assignment of 80-acre allowables would permit some operators to receive more than their just and equitable share of the oil in the pool, thereby violating correlative rights.
- (4) That higher rates of production resulting from the assignment of 80-acre allowables in the North Vacuum-Devonian Pool could cause premature water encroachment, thereby causing waste.

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(5) That the subject application should be denied.

# IT IS THEREFORE ORDERED:

- (1) That the subject application is hereby denied.
- (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

QIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

E. S. WALKER, Member

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

SEAL