OIL CONSERVATION COMMISSION P. O. BOXEZZE BOX 2095 SANTA FE, NEW MEXICO

December 28, 1965

Sinclair Oil & Gas Company P. O. Box 1470 Midland, Texas 79701

Attention: Mr. R. E. Powers

Re: Administrative Order NSP-732

Gentlemen

The above administrative order erroneously designated the non-standard proration unit described therein as a gas proration unit and is hereby corrected to designate said unit as a non-standard oil proration unit in the South Vacuum-Devonian Pool.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/JMD/og

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe
Proration Dept., - OCC

OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE. NEW MEXICO

December 24, 1965

Sinclair Oil & Gas Company P. O. Box 1470 Midland, Texas 79701

Attention: Mr. R. E. Powers

Administrative Order NSP-732

Gentlemen:

Reference is made to your application for approval of a 40-acre non-standard gas proration unit in the South Vacuum-Devonian Pool consisting of the following acreage:

> LEA COUNTY, NEW MEXICO TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM Section 22: SE/4 SW/4

It is understood that this unit is to be dedicated to your State Lea 403 Well No. 3 located 330 feet from the South line and 2310 feet from the West line of said Section 22.

By authority granted me under the provisions of Order No. R-1382-C, you are hereby authorized to operate the abovedescribed acreage as a non-standard gas proration unit.

This order shall be effective the date an oil well allowable is assigned to your State 403 Well No. 8 located 1980 feet from the South line and 1980 feet from the West line of said Section 22.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/JMD/esr

cc: Oil Conservation Commission - Hobbs Proration Dept., Oil & Gas Engineering Committee - Hobbs OCC - Santa Fe State Land Office - Santa Fe -2-CASE No. 1634 Order No. R-1382-C

namely, The Pure Oil Company Reeves Well No. 2-26, SE/4 SW/4 of Section 26 and The Pure Oil Company Reeves Well No. 4-26, NE/4 SW/4 of said Section 26, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

IT IS THEREFORE ORDERED:

That special rules and regulations for the South Vacuum-Devonian Pool, Lea County, New Mexico, be and the same are hereby promulgated as follows, effective October 1, 1960; provided, however, that the increased allowable provisions contained herein shall not become effective until November 1, 1960.

SPECIAL RULES AND REGULATIONS FOR THE SOUTH VACUUM-DEVONIAN POOL

<u>RULE 1</u>. Each well completed or recompleted in the South Vacuum-Devonian Pool or in the Devonian formation within one mile of the South Vacuum-Devonian Pool, and not nearer to nor within the limits of another designated Devonian pool, shall be spaced, drilled, operated, and prorated in accordance with the Special Rules and Regulations hereinafter set forth.

<u>RULE 2.</u> Each well completed or recompleted in the South Vacuum-Devonian Pool shall be located on a unit containing approximately 80 acres which consists of the N/2, S/2, E/2 or W/2 of a single governmental quarter section.

RULE 3. All wells projected to or completed in the South Vacuum-Devonian Pool shall be located within 150 feet of the center of either quarter-quarter section in the 80-acre unit; provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the 80-acre unit.

<u>RULE 4.</u> For good cause shown, the Secretary-Director may grant an exception to Rule 2 without notice and hearing when the application is for a non-standard unit comprising a single quarterquarter section or lot. All operators offsetting the proposed non-standard unit shall be notified of the application by registered mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application if, after a period of 30 days, no offset operator has entered an objection to the formation of such non-standard unit.

The allowable assigned to any such non-standard unit shall bear the same ratio to a standard allowable in the South Vacuum-Devonian Pool as the acreage in such non-standard unit bears to 80 acres.

<u>RULE 5</u>. An 80-acre proration unit (79 through 81 acres) in the South Vacuum-Devonian Pool shall be assigned an 80-acre -3-CASE No. 1634 Order No. R-1382-C

proportional factor of 6.67 for allowable purposes, and in the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from said wells in any proportion.

IT IS FURTHER ORDERED: That operators who propose to dedicate 80-acres to a well in the South Vacuum-Devonian Pool must file an amended Commission Form C-128 with the Hobbs District Office of the Commission by October 15, 1960, in order that the well may be assigned an 80-acre allowable on the November proration schedule.

IT IS FURTHER ORDERED: That any well which was drilled to and producing from the South Vacuum-Devonian Pool prior to August 17, 1960, which presently has 40 acres dedicated to it, and to which cannot be dedicated an 80-acre unit which can reasonably be presumed to be productive of oil from the South Vacuum-Devonian Pool shall continue to be assigned an allowable equal to normal 40-acre unit allowable for Southeast New Mexico times the 40-acre proportional factor for said pool of 5.67. This exception shall apply only to the wells described in Finding No. 5.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may be deemed necessary in the future.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION JOHN BURROUGHS, Chairman

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

MURRAY E. MORGAN, Member

SEAL

esr/