

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. 177
ORDER NO. 831

IN THE MATTER OF THE AMENDED APPLICATION
OF THE OIL CONSERVATION COMMISSION UPON
ITS OWN MOTION TO RESCIND, REVISE, CHANGE
OR AMEND ORDER NO. 573, WHICH BECAME EFFECTIVE
AS OF JUNE 1, 1944 AND GENERALLY KNOWN AS
THE "BONUS DISCOVERY ALLOWABLE ORDER", AND
TO RESCIND, REVISE OR AMEND SECTION 4 OF
ORDER 798, EFFECTIVE NOVEMBER 19, 1948,
WHICH AMENDS AND SUPERCEDES PREVIOUS
STATEWIDE PRORATION ORDER NO. 637.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 o'clock A.M., on the 5th day of May, 1949, at Santa Fe, New Mexico before the Oil Conservation Commission of the State of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 22nd day of July, 1949, the Commission having before it the testimony adduced at the hearing of said cause and being fully advised in the premises,

FINDS:

1. That due public notice of said cause having been given as required by law, the Commission has jurisdiction of the case.
2. That Order No. 573, effective as of June 1, 1944 and known as the "Bonus Discovery Allowable Order" has failed to accomplish its intended purposes and should be rescinded.
3. That Section 4 of Order No. 798, effective November 19, 1948 is meaningless except in relation to the "Bonus Discovery Allowable Order" and should be rescinded and stricken from said Order No. 798.

IT IS THEREFORE ORDERED:

That Commission Order No. 573, effective as of June 1, 1944 and known as the "Bonus Discovery Allowable Order" be and the same hereby is rescinded, subject to the further provisions of this order;

IT IS FURTHER ORDERED:

That Section 4 only and without effect on any other section or part thereof of Order No. 798, which became effective November 19, 1948, be and the same hereby is rescinded and stricken from said Commission Order No. 798, subject to the further provisions of this order.

IT IS FURTHER ORDERED:

That all bonus discovery allowables heretofore granted shall remain in effect the same as if this order had not been entered, and shall be fully

exempt from the effect hereof.

IT IS FURTHER ORDERED:

That Order No. 573 and Section 4 of Order No. 798 shall remain in effect as to all wells commenced but not completed before this date. A well shall be deemed to be commenced within the meaning of this order when Form C-101 (Notice of Intention to Drill) has been filed and approved.

IT IS FURTHER ORDERED:

That persons eligible to claim a bonus discovery allowable as to wells already completed but who have failed to do so, may be entitled to the benefits of Order No. 573 and Section 4 of Order No. 798 by filing application therefore within 15 days from this date.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Thomas J. Mabry
THOMAS J. MABRY, CHAIRMAN

Guy Shepard
GUY SHEPARD, MEMBER

R. R. Spurrer
R. R. SPURRIER, SECRETARY