

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APPLICATION OF CITIES SERVICE OIL
COMPANY FOR AN ORDER GRANTING
PERMISSION TO MAKE A SINGLE-STRING
OIL-OIL DUAL COMPLETION IN THE DEAN-
PENNSYLVANIAN AND DEAN-DEVONIAN POOLS,
LEA COUNTY, NEW MEXICO IN COMPLIANCE
WITH PARAGRAPH 2 of ORDER R-799

CASE NO. 1103
Order No. R-874

APPLICATION FOR REHEARING

COMES NOW Cities Service Oil Company, applicant herein, and respectfully files this its application for rehearing directed to the Order dated August 30, 1956, and as reasons therefor states and represents as follows:

1) That paragraph 4 of said Order is in whole contrary to the evidence in this cause presented at a hearing on July 18, 1956.

2) That paragraph 4 of said Order is arbitrary, discriminatory and unreasonable.

3) That paragraph 4 of said Order is unlawful in that the enforcement of said paragraph will result in injury to correlative rights which by Sec. 65-3-10 of the New Mexico Statutes Annotated, 1953 this Commission is charged with the duty to protect.

4) That said Order fails to recognize, and in fact ignores, the evidence presented showing the waste of all oil in the Dean-Pennsylvanian Formation if the application were denied. The evidence in fact showed that all oil and gas in this formation would not be produced because a well drilled to this formation only would be uneconomical.

5) That said paragraph 4 finds that "The production of oil through the casing tubing annulus would be inefficient, and that underground waste would result if said dual completion were permitted" when in fact the overwhelming weight of the evidence was that underground waste would be committed if said dual completion were not permitted because said oil and gas would not be produced from the Dean-Pennsylvanian Formation by the drilling of another well.

6) That at the hearing of this cause no evidence was presented in opposition to the application, and no evidence was submitted by any operator or by the Oil Conservation Commission itself to support the finding set out in paragraph 4 of said Order.

WHEREFORE, Applicant prays for an Order granting it a rehearing in this cause.

CITIES SERVICE OIL COMPANY

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