

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. 1197
Order No. R-944

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO FOR AN ORDER
PROMULGATING PERMANENT POOL RULES
FOR THE NORTH MASON-DELAWARE POOL
IN EDDY AND LEA COUNTIES, NEW MEXICO,
FOR THE PURPOSE OF ESTABLISHING THE
ALLOWABLE FOR SAID POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 16, 1957, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 16th day of January, 1957, the Commission, a quorum being present, having considered the evidence adduced and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the Commission did, by Order R-571, create and define the North Mason-Delaware Pool in Eddy County, New Mexico, said pool being classified as an oil pool for the production of oil from the Delaware formation; further that the Commission did, by Order R-842, Order R-853, and Order R-933, extend the aforesaid North Mason-Delaware Pool, and that the present horizontal limits of said pool are as follows:

TOWNSHIP 26 SOUTH, RANGE 31 EAST, NMPM
E/2 Section 24;
All Section 25; All Section 26;
All Section 35; All Section 36;

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
E/2 Section 19; E/2 Section 20;

in Eddy and Lea Counties, New Mexico.

(3) That the North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico, is contiguous with the North Mason (Delaware Sand) Field in Loving County, Texas, and that drainage across the state line will result if production allowables in that portion of the common source of supply lying within the State of New Mexico are not commensurate with production allowables in that portion of the common source of supply lying within the State of Texas.

(4) That the Commission has in fact heretofore established temporary allowables in the North Mason-Delaware Pool, said allowables being commensurate with allowables in the North Mason (Delaware Sand) Field, but that the establishment of such temporary allowables at periodic intervals is not satisfactory in certain respects.

(5) That the Commission should each month establish a top unit allowable for the North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico, said allowable to be effective from 7 o'clock a.m. Mountain Standard Time on the first day of the first succeeding month until 7 o'clock a.m. Mountain Standard Time on the first day of the next succeeding month. In fixing the allowable for the aforesaid North Mason-Delaware Pool, the Commission may consider, among other things, the current month's production allowable for non-marginal forty-acre units producing from that portion of the common source of supply lying outside the State of New Mexico.

(6) That the establishment of the normal unit allowable for the North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico, in the above-described manner will be in the best interests of conservation, will provide for the recovery of oil in an efficient manner, and will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of the Commission on its own motion for an order promulgating special pool rules for the North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico, be and the same is hereby approved.

(2) That the vertical limits of the North Mason-Delaware Pool shall consist of the Delaware formation, and the horizontal limits of said pool shall be that area described in Exhibit "A" attached hereto and made a part hereof.

IT IS FURTHER ORDERED:

That special pool rules applicable to the North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico, be and the same are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS FOR THE
NORTH MASON-DELAWARE POOL

IT IS ORDERED:

(1) That prior to the first day of each month hereafter, the Commission shall establish, for the following proration month, a special forty-acre top unit allowable for the North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico, to be effective at 7 o'clock a.m. Mountain Standard Time on the first day of each proration month.

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(2) That in establishing said special allowable for the ensuing proration month, the Commission may consider, among other things, the total current production allowable assigned to forty-acre non-marginal wells in the North Mason (Delaware Sand) Field in Loving County, Texas.

EXHIBIT "A"

Horizontal Limits of the North Mason-Delaware Pool:

TOWNSHIP 26 SOUTH, RANGE 31 EAST, NMPM
E/2 Section 24; All Section 25; All Section 26
All Section 35; All Section 36;

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
W/2 Section 19; W/2 Section 30;

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem

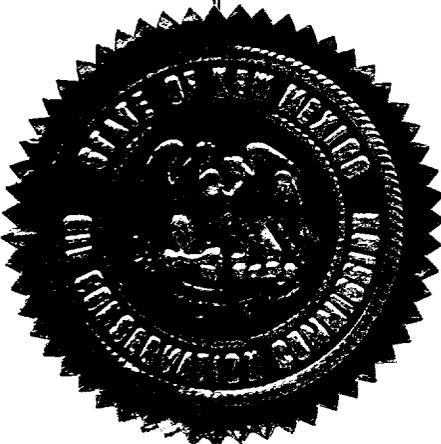
EDWIN L. MECHEM, Chairman

M. E. Morgan

MURRAY E. MORGAN, Member

A. L. Porter, Jr.

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



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