

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. 1597
Order No. R-1362

APPLICATION OF THE ATLANTIC REFINING
COMPANY FOR AN ORDER ESTABLISHING
TEMPORARY SPECIAL RULES AND REGULATIONS
FOR THE HORSESHOE-GALLUP OIL POOL IN
SAN JUAN COUNTY, NEW MEXICO, TO PROVIDE
FOR 80-ACRE PRORATION UNITS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 18, 1959, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 2nd day of April, 1959, the Commission, a quorum being present, having considered the application and the evidence adduced 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, The Atlantic Refining Company, seeks the establishment of temporary special rules and regulations for the Horseshoe-Gallup Oil Pool in San Juan County, New Mexico, to provide for 80-acre proration units in said pool.
- (3) That the applicant has failed to prove that the Horseshoe-Gallup Oil Pool can be efficiently drained and developed on an 80-acre spacing pattern.
- (4) That the drilling and spacing of wells in the Horseshoe-Gallup Oil Pool should continue to be governed by Rule 104 of the Commission Rules and Regulations.
- (5) That continued development of said Horseshoe-Gallup Oil Pool on 40-acre proration units will not cause the drilling of unnecessary wells.
- (6) That the application should be denied.

-2-

Case No. 1597

Order No. R-1362

IT IS THEREFORE ORDERED:

(1) That the application of The Atlantic Refining Company for the establishment of temporary rules and regulations for the Horseshoe-Gallup Oil Pool in San Juan County, New Mexico, to provide for 80-acre proration units be and the same is hereby denied.

(2) That the drilling and spacing of wells in the Horseshoe-Gallup Oil Pool in San Juan County, New Mexico, shall continue to be governed by Rule 104 of the Commission Rules and Regulations.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs

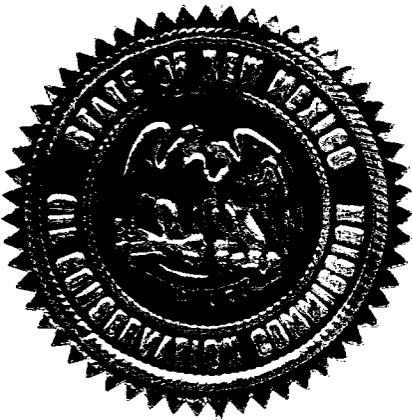
JOHN BURROUGHS, Chairman

Murray E. Morgan

MURRAY E. MORGAN, Member

A. L. Porter, Jr.

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



ir/