

CASE 3639: Application of MYLES  
A. COLLIGAN FOR AN UNORTHODOX  
LOCATION, CHAVES COUNTY, N.M.

Myles A. Colligan

604 Madison (Town)

Midland Texas

79701

DOCKET MAILED

Exception to the well location ~~Date~~ 8-11-67

Rule No 2 Order No. R-2349 (R-2349-A)

1650 990' from north line and  
1650 990' from East line of Sec 35, 145, 27E

Chaves Co Buffalo Valley Penn Gas Pool.

Case No.

3639

Application, Transcript,  
Small Exhibits, Etc.

GOVERNOR  
DAVID F. CARGO  
CHAIRMAN

State of New Mexico  
Oil Conservation Commission



LAND COMMISSIONER  
GUYTON B. HAYS  
MEMBER

P. O. BOX 2088  
SANTA FE

August 29, 1967

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. Sumner Buell  
Montgomery, Federici & Andrews  
Attorneys at Law  
Post Office Box 2307  
Santa Fe, New Mexico

Re: Case No. 3639  
Order No. R-3301  
Applicant: MYLES A. COLLIGAN

**Dear Sir:**

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

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

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC   X    
 Artesia OCC   X    
 Aztec OCC             
 Other

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. 3639  
Order No. R-3301

APPLICATION OF MYLES A. COLLIGAN  
FOR AN UNORTHODOX LOCATION, CHAVES  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 23, 1967,  
at Santa Fe, New Mexico, before Examiner Elvis A. Uts.

NOW, on this 29th day of August, 1967, the Commission, a  
quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, 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, Myles A. Colligan, seeks authority  
to drill a gas well in the Buffalo Valley-Pennsylvanian Gas Pool  
at an unorthodox location 1650 feet from the North line and  
1650 feet from the East line of Section 35, Township 14 South,  
Range 27 East, NMPM, Chaves County, New Mexico, in exception to  
the provisions of Rule 2 of Order No. R-2349.

(3) That the Special Rules and Regulations governing the  
Buffalo Valley-Pennsylvanian Gas Pool provide that each well  
completed or recompleted in said pool shall be located in the  
northwest quarter or the southeast quarter of the section and  
shall be located no nearer than 990 feet to the outer boundary  
of the quarter section nor nearer than 330 feet to any govern-  
mental quarter-quarter section line.

(4) That the proposed location, in the northeast quarter  
of said Section 35, is an off-pattern quarter section location.

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CASE No. 3639  
Order No. R-3301

(5) That the evidence indicates that a well drilled at the proposed non-standard location in the northeast quarter of said Section 35 should encounter a more permeable section of the Pennsylvanian Sand than a well drilled at a standard location in the northwest quarter of said section and should, therefore, result in greater ultimate recovery of gas, thereby preventing waste.

(6) That approval of the proposed unorthodox location will not violate correlative rights and will afford the applicant the opportunity to produce his just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste.

IT IS THEREFORE ORDERED:

(1) That the applicant, Myles A. Colligan, is hereby authorized to drill a gas well in the Buffalo Valley-Pennsylvanian Gas Pool at an unorthodox location 1650 feet from the North line and 1650 feet from the East line of Section 35, Township 14 South, Range 27 East, NMPM, Chaves County, New Mexico.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

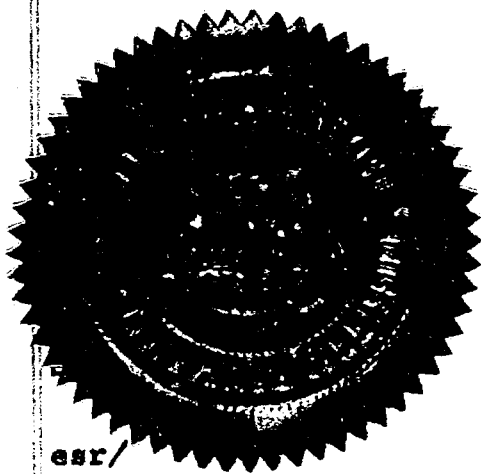
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*David F. Cargo*  
DAVID F. CARGO, Chairman

*Guxton B. Hays*  
GUXTON B. HAYS, Member

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



Docket No. 25-67

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 23, 1967

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner,  
or Daniel S. Nutter, Alternate Examiner:

CASE 3639:

Application of Myles A. Colligan for an unorthodox location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a well at an unorthodox location 1650 feet from the North and East lines of Section 35, Township 14 South, Range 27 East, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico, in exception to the provisions of Rule 2 of Order No. R-2349.

CASE 3640:

Application of Monsanto Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Rock Tank Unit Area comprising 6239 acres, more or less, of State, Fee and Federal lands in Township 23 South, Range 24 East, and Townships 22 and 23 South, Range 25 East, Eddy County, New Mexico.

CASE 3641:

Application of Skelly Oil Company for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Abo and Wolfcamp formations in the well-bore of its Childress "A" Well No. 1 located in Unit L of Section 1, Township 14 South, Range 33 East, Lazy "J" Field, Lea County, New Mexico.

CASE 3642:

Application of Pan American Petroleum Corporation for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the North Osudo-Morrow Gas Pool, Lea County, New Mexico, including a provision for 640-acre spacing and specified well locations.

CASE 3643:

Application of Humble Oil & Refining Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the "C" Zone, and possibly the "A" Zone, of the Pennsylvanian formation in its South Four Lakes Well No. 6 located in Unit I of Section 2, Township 12 South, Range 34 East, South Four Lakes Field, Lea County, New Mexico.

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
August 23, 1967

EXAMINER HEARING

IN THE MATTER OF:

Application of Myles A. Colligan for  
an unorthodox location, Chaves County,  
New Mexico.

CASE: 3639

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING



MR. UTZ: Case 3639.

MR. HATCH: Case 3639, application of Myles A. Colligan for an unorthodox location, Chaves County, New Mexico.

MR. BUELL: My Examiner, I am Sumner Buell with Montgomery, Federici and Andrews in Santa Fe, appearing on behalf of the applicant. We have one witness and ask that he be sworn. He is the chief geologist of Billeter and Company in Midland, Texas, and from 1944 to the present. (Witness sworn.)

MR. UTZ: Are there other appearances?

MR. BUELL: Yes, I shall call to the stand Myles A. Colligan, called as a witness herein, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION  
BY MR. BUELL:

Q Would you state your name, please?

A Myles Colligan.

Q Where do you reside, Mr. Colligan?

A Midland, Texas.

Q What is your occupation?

A I'm a consulting geologist.

Q You are also the applicant in this case?

A Yes, I am.

Q Would you give the Examiner a history of your education and employment background?

A I graduated from the University of California at Los Angeles with a BA in Geology in 1940. I did one year of graduate work in geology in '41, from '45 to '58, I was geologist for the Wilshire Oil Company, from '45 to '50 I was geologist in Los Angeles, '50 to '53 I was a district geologist in Midland, Texas, '53 to '56 a division geologist in Midland, Texas, '56 to '58 chief geologist of Wilshire Oil Company in Midland, Texas, and from '58 to the present I have been a self-employed consulting geologist.

Q Are you familiar with what the applicant seeks in this case?

A Yes, I am.

Q Would you briefly state what it is that's sought by this application?

A We want to get a proposed location in the northeast quarter of Section 35, more specifically, 1650 from the north and from the east of Section 35, 14 South, 27 East.

Q That would be an unorthodox location?

A Yes, it would.

Q Mr. Colligan, I hand you what has been marked as Applicant's Exhibit Number 1 and ask you to identify it and tell the Examiner what this shows?

(Whereupon, Applicant's Exhibits marked for identification.)

A This is a plat prepared by me, a land plat of Section

35 and the contiguous Sections 26, 25 and 36 14, 27, and a contiguous Sections of 2 and 1 in 15, 27. It shows on it the Cities Service Number 1 Betts Well in the southwest quarter of Section 35 which is an unorthodox location. It shows also the Reed Well in the northwest quarter of Section 2. It shows the location, a standard location in the northwest quarter of Section 35 and my proposed location in Section 35, the northeast quarter, which would be an unorthodox.

Q What is the distance from the Cities Service Betts Well in the southwest quarter of Section 35 to your proposed location?

A It's a distance of 3397 feet and the distance to a standard location in the northwest quarter would be 2982 feet. In other words, my proposed location, even though it be unorthodox, would be 409 feet farther from the Betts Well.

Q To what formation do you propose to drill your well?

A The Pennsylvanian Sands, which are Morrow in age, about 8200 feet in depth.

Q And what depth or formation is the Cities Service Betts Well?

A It's producing from the same, the Morrow B Sand and about the same depth as is the Reed Well.

MR. UTZ: The Cities Service Well is a non-standard location, too, isn't it?

WITNESS: Yes, it is.

Q (By Mr. Buell) Now, Mr. Colligan, I hand you what has been marked as Applicant's Exhibit 2 and ask you to explain what that shows.

A Well, the base of this --

Q Now, we are talking about Exhibit 2.

A It is the same base grid as Exhibit 1 but on it is an isopach map of the Morrow B Sand and this isopach has been developed from the three wells shown on the plat that encountered this sand in various thicknesses. The isopach, let's put it this way, the environment, in my opinion, the environment of deposition of these sands is a combination of probably three environments and I think we are dealing here and in the general area with a combination of Strand Line deposition, sandbar deposition and probably some channeling deposition.

All in all, the depositional strike in my opinion, and from the work that I have done on a larger area in here is pretty much north-south. The environment of deposition lends itself to an interfingering situation of the sands with the shales and the sand encountered in the Cities Service Betts Well is 26 feet of rather solid sand as determined from the electric log.

I think a well at the standard location in the

northwest quarter would probably encounter the same type of a sand condition. The sand encountered in the Reed Well to the south was 41 feet or an additional 15 feet of sand over the Betts Well. The basal sand in the Reed Well is very comparable to the sand in the Betts Well but an important thing has happened in the Reed Well and in the fingering that occurred in the top 15 feet, which has not occurred in the Betts Well, and it is my opinion that this interfingering in the Reed Well will allow the Reed Well to drain a reservoir to the east that would probably never be adequately drained by the Cities Service Betts Well.

It is on this basis that the proposed location in the northwest, while we would be getting a thicker section of sand, the idea would be that we would be picking up a series of interfingering of sands into the shales that would never be adequately drained by a location in the northwest quarter.

Q Mr. Colligan, do you have additional information based on the pressures in the Cities Service Well and the Buffalo Valley Well, the Charles Reed Well?

A The last test that I have had available to me in the Cities Service Well was taken in October of 1964 and it was at a shut-in pressure of 2402 pounds. The drillstem test pressure on the Reed Well over this same interval was 3282 pounds for a difference of 880 pounds.

Q What does this indicate to you?

A Well, it indicates to me that you are tapping a larger reservoir than the Cities Service is tied into and that the communication between the two has not been complete because it's coming in at such a higher pressure.

Q You feel that the granting of the unorthodox location in the northeast quarter of Section 35 would tap these stringers that extend out into the shale body and thus recover gas that would not otherwise be recovered?

A I do, yes.

Q Is it your opinion, then, that the granting of this application would tend to prevent waste and protect correlative rights?

A Yes, I do.

Q Were Exhibits 1 and 2 prepared by you or under your supervision?

A They were prepared by me.

MR. BUELL: I would at this time, Mr. Examiner, offer Exhibits 1 and 2 into evidence.

MR. UTZ: Without objection, Exhibits 1 and 2 will be entered into the record of this case.

MR. BUELL: We have nothing further at this time.

(Whereupon, Exhibits 1 and 2  
offered and admitted in evidence.)

## CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Colligan, have you shown on your Exhibit 2 all of the wells in this pool?

A Yes.

Q So there's only two wells, actually?

A That's right. The Cities Service --

Q And one dry hole?

A The Cities Service was the original well drilled by Richfield Oil Company back in 1948. It was recompleted by Carper Drilling Company in about 1962, at which time they had the Hearing which made this an unorthodox location at the time.

Q Where did you get your control to bend these 90 foot contours out in such a manner as you did?

A Well, take the contours from, say, 50 feet. Now, they are, you see, reasonably controlled, in other words, you go from the 11 feet to the 26 to the 41 and rising to 50 feet would be well within the control of contouring. Now, 60 and 70, it could go that high based on similar Morrow Sand buildups to the south in the Atoka-Penn, for instance, down near Artesia. It reaches an interval between 50 and 70 feet in thickness, that is where the wells were penetrated. There's no way of knowing that it couldn't go up to 70 or 80.

Q How did you arrive at the breaking away of the 80 or 90 foot, did you have any reason for that?

A Regionally to the north there is a nose, I should say that this is a cutout of a larger regional map that I have worked on.

Q I see.

A To the north, in the northern part of Section 26 there's a regional nose coming out from the west to the east and to the south in about section, the south half of Section 2 or the section to the south of it, there's another nose coming out from the west plunging to the east and it's on the basis of this I have from other experience been inclined to build you a maximum sand deposition on those noses.

Q But at any rate, the control that you have on the three wells, you would be pretty well assured of at least a thicker sand over in your northeast quarter?

A Yes. I think there's no doubt about that. The point I would like to make is not only will I get a thicker sand but I will be tapping an area that I don't believe a standard location will adequately drain.

Q Because of the interfingering of the shale formations?

A Right.

Q In regard to the shut-in pressures, were they both



for the same length of time, both shut-in the same length of time?

A The shut-in pressure that I gave you on the Betts Well was taken for 16 days.

Q 16 days?

A Yes, 2402 pounds.

Q Do you have any time --

A One hour. This was the other one, on the Read Well was a shut-in taken on drillstem test. The final shut-in was 3282 for one hour.

Q To say the least, Read has more permeability then, hasn't it?

A Yes, plus additional section, plus the interfingering of the top 15 feet of sand and shale.

MR. UTZ: Are there any other questions of the witness? This pool encompasses only one section?

A It encompasses the south half of 35 and the north half of Section 2.

Q (By Mr. Utz) Your proposed location, while it is within one mile, it is not actually within the pool at this time?

A No, it is not.

MR. UTZ: Any other questions of the witness? The witness may be excused.

(Witness excused.)

MR. UTZ: Any statements? The case will be taken  
under advisement.

I N D E X

WITNESS  
 Myles Colligan  
 Direct Examination by Mr. Buell  
 Cross Examination by Mr. Utz

PAGE

2

8

E X H I B I T S

NUMBER

MARKED

OFFERED

ADMITTED

App's. 1

3

7

7

App's. 2

3

7

7

STATE OF NEW MEXICO     )  
                                   ) ss  
 COUNTY OF BERNALILLO    )

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 25th day of August, 1967.

Ada Dearnley  
 NOTARY PUBLIC

My Commission Expires:

June 19, 1971.

I do hereby certify that the foregoing is a complete record of the proceedings in the Bernalillo hearing of Case No. 3637, heard by me at Aug. 23, 1967.  
Thos. L. [Signature], Secretary  
 New Mexico Oil Conservation Commission

Case 3639

Heard 8-23-67

Rec. 8-23-67.

1. Grant Myles A. Colligan's request for a NSL for his well to be located 1650' N + E line of sec. 35-145-27 E, Chazy Co. Buffalo Valley Penn. Gas Pool.

2. This proposal was made so that the above well could penetrate a more permeable portion of the Penn. Sand.

Thos. L. O'Neil  
Exception to Rule. 2. Order P 2349.

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. 2654  
Order No. R-2349

APPLICATION OF CARPER DRILLING  
COMPANY, INC., FOR THE CREATION  
OF A NEW GAS POOL AND FOR TEMPO-  
RARY SPECIAL RULES AND REGULA-  
TIONS, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 10, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 31st day of October, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 a new gas pool for Pennsylvanian production should be created and designated the Buffalo Valley-Pennsylvanian Gas Pool. This pool was discovered by the Carper Drilling Company Inc., Baetz Well No. 1, located in Unit N of Section 35, Township 14 South, Range 27 East, NMPM, Chaves County, New Mexico.

(3) That Carper Drilling Company, Inc. seeks the promulgation of temporary special rules and regulations for the Buffalo Valley-Pennsylvanian Gas Pool to provide for 320-acre gas proration units.

(4) That the evidence presented concerning the reservoir characteristics of the Buffalo Valley-Pennsylvanian Gas Pool justifies the establishment of 320-acre gas proration units in said pool for a temporary period of two years.

CASE No. 2654  
Order No. R-2349

(5) That the evidence establishes that the Buffalo Valley-Pennsylvanian Gas Pool can presently be efficiently and economically drained on 320-acre gas proration units.

(6) That during the two-year period in which this order will be in effect, all operators in the subject pool should gather all available information relative to drainage and recoverable reserves in said pool.

(7) That this case should be reopened at an examiner hearing in October, 1964, at which time the operators in the subject pool should be prepared to appear and show cause why the Buffalo Valley-Pennsylvanian Gas Pool should not be developed on 160-acre gas proration units.

IT IS THEREFORE ORDERED:

(1) That a new pool in Chaves County, New Mexico, classified as a gas pool for Pennsylvanian production is hereby created and designated as the Buffalo Valley-Pennsylvanian Gas Pool consisting of the following-described area:

TOWNSHIP 14 SOUTH, RANGE 27 EAST, NMPM  
Section 35: S/2

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM  
Section 2: N/2

(2) That special rules and regulations for the Buffalo Valley-Pennsylvanian Gas Pool are hereby promulgated as follows, effective November 1, 1962.

SPECIAL RULES AND REGULATIONS  
FOR THE  
BUFFALO VALLEY-PENNSYLVANIAN GAS POOL

RULE 1. Each well completed or recompleted in the Buffalo Valley-Pennsylvanian Gas Pool or in the Pennsylvanian formation within one mile of the Buffalo Valley-Pennsylvanian Gas Pool, and not nearer to or within the limits of another designated Pennsylvanian pool, shall be spaced, drilled, operated, and prorated in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well completed or recompleted in the Buffalo Valley-Pennsylvanian Gas Pool shall be located in the northwest quarter or the southeast quarter of the section and shall be located no nearer than 990 feet to the outer boundary of the quarter section nor nearer than 330 feet to any governmental quarter-quarter section line; provided, however, that any well

drilling to or completed in said pool as of the date of this order is hereby excepted from the requirements of this rule.

RULE 3. The Secretary-Director shall have authority to grant exceptions to Rule 2 without notice and hearing where an application therefor has been filed in due form and the necessity for the unorthodox location is based on topographical conditions or is occasioned by the recompletion of a well previously drilled to another horizon.

Applicants shall furnish all offset operators and all operators within the section in which the subject well is located a copy of the application to the Commission and shall stipulate to the Commission that proper notice has been furnished to all such operators. The Secretary-Director may approve the application if, after a period of twenty days, no offset operator has entered an objection to the proposed unorthodox location.

RULE 4. Each well completed or recompleted in the Buffalo Valley-Pennsylvanian Gas Pool shall be located on a standard proration unit consisting of any two contiguous quarter sections of a single governmental section, being a legal subdivision (half section) of the United States Public Lands Survey. For purposes of these rules, a standard proration unit shall consist of 316 through 324 contiguous surface acres.

RULE 5. The Secretary-Director shall have authority to grant an exception to Rule 4 without notice and hearing where an application has been filed in due form and where the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Lands Survey, or where the following facts exist and the following provisions are complied with:

(1) The non-standard unit consists of contiguous quarter-quarter sections or lots.

(2) The non-standard unit lies wholly within a single governmental section.

(3) The entire non-standard unit may reasonably be presumed to be productive of gas from the Buffalo Valley-Pennsylvanian Gas Pool.

(4) The applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the section in which any part of the non-standard unit is situated and which acreage is not included in said non-standard unit.



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CASE No. 2654  
Order No. R-2349

(5) In lieu of Paragraph 4 of this rule, the applicant may furnish proof of the fact that all of the aforesaid operators were notified by registered or certified mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if, after a period of thirty days, no such operator has entered an objection to the formation of such non-standard unit.

RULE 6. The vertical limits of the Buffalo Valley-Pennsylvanian Gas Pool shall be the Pennsylvanian formation.

(3) That this case shall be reopened at an examiner hearing in October, 1964, at which time the operators in the subject pool may appear and show cause why the Buffalo Valley-Pennsylvanian Gas Pool should not be developed on 160-acre gas proration units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

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

S E A L

esr/

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. 2654  
Order No. R-2349-A

APPLICATION OF CARPER DRILLING  
COMPANY, INC., FOR THE CREATION  
OF A NEW GAS POOL AND FOR TEMPO-  
RARY SPECIAL RULES AND REGULA-  
TIONS, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 13, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 21st day of October, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 by Order No. R-2349, dated October 31, 1962, temporary Special Rules and Regulations were promulgated for the Buffalo Valley-Pennsylvanian Gas Pool.

(3) That pursuant to the provisions of Order No. R-2349, this case was reopened to allow the operators in the subject pool to appear and show cause why the Buffalo Valley-Pennsylvanian Gas Pool should not be developed on 160-acre spacing units.

(4) That since the issuance of Order No. R-2349, the Commission has amended Rule 104 of the Statewide Rules and Regulations to permit the dedication of 320 acres to a gas well in Lea, Chaves,

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CASE No. 2654

Order No. R-2349-A

Eddy, and Roosevelt Counties, New Mexico, projected to or completed in the Pennsylvanian formation or a deeper formation.

(5) That to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-2349 should be continued in full force and effect until further order of the Commission.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Buffalo Valley-Pennsylvanian Gas Pool promulgated by Order No. R-2349 are hereby continued in full force and effect until further order of the Commission.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Jack M. Campbell*  
JACK M. CAMPBELL, Chairman

*F. S. Walker*  
F. S. WALKER, Member

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

S E A L

esr/