

Entered March 12, 1969

C.B.P.

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. 4057
Order No. R-3705

APPLICATION OF CHARLES B. READ
FOR SPECIAL POOL RULES, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 26, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 12th day of March, 1969, 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, Charles B. Read, seeks the promulgation of special rules and regulations for the Quail-Queen Pool, Lea County, New Mexico, including a provision for 80-acre spacing and proration units.

(3) That none of the wells presently completed in the subject pool are capable of producing the top unit allowable for a 40-acre tract.

(4) That the production history of the wells presently completed in the subject pool and an analysis of information from the two wells that have been cored indicate low permeability of the pay section.

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(5) That the evidence indicates that no well in the pool would have 80 productive acres to be dedicated to it.

(6) That the applicant has not established that the wells in the Quail-Queen Pool can efficiently and economically drain and develop 80 acres or that the establishment of special rules and regulations would prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risks arising from the drilling of an excessive number of wells, prevent reduced recovery which might result from the drilling of too few wells, or otherwise prevent waste or protect correlative rights.

(7) That the subject application should be denied.

IT IS THEREFORE ORDERED:

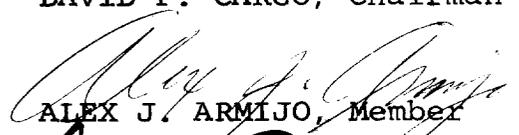
(1) That the subject application is hereby denied.

(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, Chairman


ALEX J. ARMIJO, Member


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

S E A L

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