

VADA-PENNSYLVANIAN POOL
Lea County, New Mexico

Order No. R-3179-A, Adopting Temporary Operating Rules for the Vada-Pennsylvanian Pool, Lea County, New Mexico, —October 15, 1967.

Order No. R-3179-A supersedes Order No. R-3179, adopting temporary operating rules for the field.

Order No. R-3179-B, September 12, 1968, makes permanent the rules adopted in Order No. R-3179-A.

Special depth bracket allowable of 382 barrels per day established as top unit allowable, Order No. R-4429, October 27, 1972.

Application of Midwest Oil Corporation for an amendment to Order No. R-3179, Lea County, New Mexico.

CASE NO. 3513
Order No. R-3179-A

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a. m. on September 27, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of October, 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 by Order No. R-3179, dated January 18, 1967, temporary Special Rules and Regulations were promulgated for the Vada-Pennsylvanian Pool, Lea County, New Mexico, providing for 80-acre spacing units, limited well locations, and an 80-acre proportional factor of 4.77 for allowable purposes, and providing that said temporary rules be reconsidered at an examiner hearing to be held in January, 1968.

(3) That the applicant, Midwest Oil Corporation, seeks amendment of the temporary Special Rules and Regulations promulgated by Order No. R-3179 to provide for 160-acre spacing units and the establishment of a 160-acre proportional factor of 4.77 for allowable purposes.

(4) That the applicant also seeks to have said rules and regulations, as proposed, made permanent.

(5) That the evidence presented indicates the establishment of 160-acre spacing units and a 160-acre proportional factor of 4.77 in the Vada-Pennsylvanian Pool for a temporary period of one year only is warranted.

(6) That in order 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 temporary Special Rules and Regulations promulgated by Order No. R-3179 should be amended to provide for 160-acre spacing units and the establishment of a 160-acre proportional factor of 4.77 for allowable purposes.

(7) That the temporary Special Rules and Regulations promulgated by Order No. R-3179, as amended by this order, should continue in effect for a period of one year from the effective date of this order to allow the operators in the subject pool to gather additional reservoir information to establish the area that can be efficiently and economically drained and developed by one well.

(8) That this case should be reopened at an examiner hearing in September, 1968, at which time the operators in the subject pool may appear and show cause why the Vada-Pennsylvanian Pool should not be developed on less than 160-acre spacing units and to show cause why the 160-acre proportional factor of 4.77 assigned to the subject pool should or should not be retained.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Vada-Pennsylvanian Pool, Lea County, New Mexico, promulgated by Order No. R-3179, are hereby amended to read in their entirety as follows, effective October 15, 1967:

SPECIAL RULES AND REGULATIONS
FOR THE
VADA-PENNSYLVANIAN POOL

RULE 1. Each well completed or recompleted in the Vada-Pennsylvanian Pool or in the Bough "C" zone of the Pennsylvanian formation within one mile thereof, and not nearer to or within the limits of another designated Pennsylvanian oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 160 acres, more or less, substantially in the form of a square, which is a quarter section being a legal subdivision of the United States Public Land Surveys.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit consisting of less than 160 acres or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (158 through 162 acres) shall be assigned a proportional factor of 4.77 for allowable purposes, and in the event there is more than one well on a 160-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 160 acres.

(VADA-PENNSYLVANIAN POOL - Cont'd.)

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Vada-Pennsylvanian Pool or in the Bough "C" zone of the Pennsylvanian formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before October 15, 1967.

(2) That each well presently drilling to or completed in the Vada-Pennsylvanian Pool or in the Bough "C" zone of the Pennsylvanian formation within one mile thereof shall, after October 15, 1967, receive an allowable in the same proportion to a standard 160-acre allowable for the pool as the acreage presently dedicated to the well bears to 160 acres, until Form C-102 dedicating 160 acres to the well has been filed with the Commission, or until a non-standard unit containing less than 160 acres has been approved.

(3) That this case shall be reopened at an examiner hearing in September, 1968, at which time the operators in the subject pool may present the results of interference tests and other pertinent evidence to show cause why the subject pool should not be developed on less than 160-acre spacing units and to show cause why the 160-acre proportional factor of 4.77 assigned to the subject pool should or should not be retained.

(4) That Order No. R-3179 entered by the Commission on January 18, 1967, is hereby superseded.

(5) 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.

STATELINE-ELLENBURGER POOL
(Allowable Assignments Extended)
Lea County, New Mexico

Order No. R-2943-A, Extending the Allowable Assignment Provisions of Order No. R-2943 for the Stateline-Ellenburger Pool, Lea County, New Mexico, January 18, 1967.

In the Matter of Case No. 3277 Being Reopened by the Oil Conservation Commission on its Own Motion to Consider the Necessity for the Continuance of the Special Allowables Assigned to Wells in the Stateline-Ellenburger Pool, Lea County, New Mexico.

CASE NO. 3277
Order No. R-2943-A

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on January 4, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of January, 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 by Order No. R-2943, dated August 6, 1965, the Commission established the top unit allowable for wells on a standard proration unit in the Stateline-Ellenburger Pool, Lea County, New Mexico, as 330 barrels of oil per day so long as a discovery allowable remained in effect in the Texas portion of the pool.

(3) That said Order No. R-2943, also provided that upon discontinuance of the discovery allowable in the Texas portion of the pool, the top unit allowable for wells in the Stateline-Ellenburger Pool, Lea County, New Mexico, would be determined in accordance with Rule 505 of the Commission Rules and Regulations.

(4) That the discovery allowable is still in effect in the Texas portion of said pool and will remain in effect until on or about May 2, 1967.

(5) That the allowable provisions of Order No. R-2943 should be continued in effect through April 30, 1967.

(6) That effective May 1, 1967, the top unit allowable for wells in the subject pool should be determined in accordance with Rule 505 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the allowable provisions of Order No. R-2943 are hereby continued in effect through April 30, 1967.

(2) That effective 7:00 a.m. May 1, 1967, the top unit allowable for wells in the Stateline-Ellenburger Pool, Lea County, New Mexico, shall be determined in accordance with Rule 505 of the Commission Rules and Regulations.

(3) 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.

NORTHEAST BAGLEY-WOLFCAMP POOL
Lea County, New Mexico

Order No. R-3184, Adopting Temporary Operating Rules for the Northeast Bagley-Wolfcamp Pool, Lea County, New Mexico, February 1, 1967.

Order No. R-3184-A, February 12, 1968, makes permanent the rules adopted in Order No. R-3184.

Application of Southern Natural Gas Company
for Special Rules, Lea County, New Mexico.

CASE NO. 3520
Order No. R-3184

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on January 25, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.