BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF AMBASSADOR OIL CORPORATION FOR AN EMERGENCY ORDER GRANTING CAPACITY ALLOWABLES FOR TWO WELLS IN THE CAPROCK-QUEEN POOL, LEA AND CHAVES COUNTIES, NEW MEXICO.

EMERGENCY ORDER NO. E-15

NOW, on this 24th day of February, 1959, the Oil Conservation Commission of New Mexico, a quorum being present, having considered the application of Ambassador Oil Corporation for an Emergency Order and being fully advised in the premises,

FINDS:

(1) That Ambassador Oil Corporation was authorized by Order No. R-1053 to institute a water flood project in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico.

(2) That Ambassador Oil Corporation is the operator of the following described wells which are situated in the aforementioned water flood project area:

Well No. 18-2, NE/4 SE/4, Section 12, Township 13 South, Range 31 East, Chaves County, New Mexico.

Well No. 19-1, SW/4 NW/4, Section 7, Township 13 South, Range 32 East, Lea County, New Mexico.

(3) That said water flood project has caused an increase in the producing capacity of the above-described wells to the extent that they are now or soon may be capable of producing in excess of the top unit allowable for the Caprock-Queen Pool.

(4) That there is a possibility that waste will occur if production from the above-described wells is curtailed.

(5) That an emergency exists which requires the promulgation of an order, without notice and hearing, to eliminate the possibility of waste occurring as a result of curtailment of production from said wells.

(6) That a hearing should be held on March 11, 1959, to determine whether waste will actually result if production from said wells is curtailed.

(7) That in the event the applicant fails to prove that waste will be caused if production from the above-described wells is curtailed, then any oil produced from said wells in excess of the normal unit allowable shall be charged against the future allowables for said wells. -2-Emergency Order No. E-15

IT IS THEREFORE ORDERED:

(1) That the following described wells be granted an allowable equal to their capacity to produce, effective February 24, 1959, to-wit:

Well No. 18-2, NE/4 SE/4, Section 12, Township 13 South, Range 31 East, Chaves County, New Mexico.

Well No. 19-1, SW/4 NW/4, Section 7, Township 13 South, Range 32 East, Lea County, New Mexico.

(2) That this order shall become effective at 7 o'clock a.m. Mountain Standard Time on February 24, 1959.

(3) That a hearing be held at 9 o'clock a.m. on March 11, 1959, to permit the applicant to appear and show cause why the above-referenced wells should be granted capacity allowables.

(4) That in the event the applicant fails to prove that waste will be caused if production from the above-described wells is curtailed, then any oil produced from said wells in excess of the normal unit allowable shall be charged against the future allowables for said wells.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION JOHN BURROUGHS. Chairman

MURRAY E. MORGAN, Member

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



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