

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 8, 1960

Mr. Kirk Newman
Atwood & Malone
P. O. Box 867
Roswell, New Mexico

Dear Mr. Newman:

On behalf of your client, Pan American Petroleum Corporation, we enclose two copies of Order R-1595 in Case No. 1840 issued by the Oil Conservation Commission this date.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

lr/

Enclosures

CCU Districts

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. 1840
Order No. R-1595

APPLICATION OF PAN AMERICAN
PETROLEUM CORPORATION FOR A
264-ACRE NON-STANDARD GAS UNIT
IN THE BLANCO-PICTURED CLIFFS
POOL, SAN JUAN COUNTY, NEW
MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 6, 1960, 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 Eight day of February, 1960, 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 the applicant is the owner and operator of the NE/4 and Lots 8, 9, 10, and 11 of Section 6, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico.

(3) That the applicant proposes the establishment of a 264-acre non-standard gas unit in the Blanco-Pictured Cliffs Pool, consisting of the above-described acreage, to be dedicated to the Houck Gas Unit Well No. 1 located 1650 feet from the North line and 1650 feet from the East line of said Section 6.

(4) That the standard drilling unit in the Blanco-Pictured Cliffs Pool is 160 acres.

(5) That the applicant failed to prove that the subject well can efficiently drain the proposed 264-acre non-standard unit.

-2-

Case No. 1840

Order No. R-1595

(6) That denial of the application will not deprive the applicant of the right to produce his fair share of the gas underlying Lots 8, 9, 10, and 11 of said Section 6 since the applicant owns and operates acreage offsetting said four lots which could be communitized to form another gas unit of approximately 160 acres.

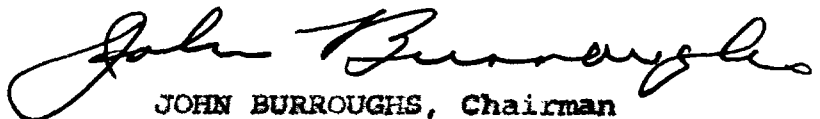
(7) That the application should be denied.

IT IS THEREFORE ORDERED:

That the application of Pan American Petroleum Corporation for a 264-acre non-standard gas unit in the Blanco-Pictured Cliffs Pool, consisting of the NE/4 and Lots 8, 9, 10, and 11 of Section 6, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico, be and the same is hereby denied.

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

