

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. 2050
Order No. R-1756

APPLICATION OF THE OIL CONSERVATION
COMMISSION ON ITS OWN MOTION TO
CONSIDER REVISING RULE 505(b) OF
THE COMMISSION RULES AND REGULATIONS
TO ESTABLISH PROPORTIONAL (DEPTH)
FACTORS FOR OIL WELLS IN EXCESS OF
14,000 FEET.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 17, 1960, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 23rd day of August, 1960, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 Rule 505(b) of the Commission Rules and Regulations sets forth proportional (depth) factors for allowable purposes for oil wells drilled to a maximum of 14,000 feet.
- (3) That subsequent to adoption of Rule 505(b), there has been drilling activity in New Mexico at depths considerably in excess of 14,000 feet.
- (4) That said Rule 505(b) should be revised to provide for proportional (depth) factors for wells as deep as 18,000 feet.
- (5) That the proposed proportional (depth) factors for wells in excess of 14,000 feet were calculated utilizing exactly the same method that was used in arriving at the factors presently contained in Rule 505(b).
- (6) That, therefore, the proposed revision of said Rule 505(b) will not impair correlative rights.

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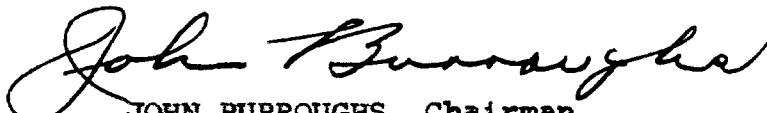
IT IS THEREFORE ORDERED:

That Rule 505(b) of the Commission Rules and Regulations be and the same is hereby revised to read in its entirety as follows:


(b)		40-Acre Proportional	80-Acre Proportional
POOL DEPTH RANGE		Factor	Factor
0 to 5,000 feet		1.00	
5,000 to 6,000 feet		1.33	2.33
6,000 to 7,000 feet		1.77	2.77
7,000 to 8,000 feet		2.33	3.33
8,000 to 9,000 feet		3.00	4.00
9,000 to 10,000 feet		3.77	4.77
10,000 to 11,000 feet		4.67	5.67
11,000 to 12,000 feet		5.67	6.67
12,000 to 13,000 feet		6.75	7.75
13,000 to 14,000 feet		8.00	9.00
14,000 to 15,000 feet		9.33	10.33
15,000 to 16,000 feet		10.78	11.78
16,000 to 17,000 feet		12.33	13.33
17,000 to 18,000 feet		14.00	15.00

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

