

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. 2417
Order No. R-2112

APPLICATION OF SCANLON & SHEPARD
FOR THE CREATION OF A NEW OIL POOL
FOR MESAVERDE PRODUCTION IN SECTION
21, TOWNSHIP 20 NORTH, RANGE 9 WEST,
MCKINLEY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 25, 1961, 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 1st day of November, 1961, 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, Scanlon & Shepard, seeks an order creating a new pool for Mesaverde production comprising the SE/4 of Section 21, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico, on the basis of a discovery well, the Scanlon and Shepard Santa Fe Railroad Well No. 3, drilled 330 feet from the South line and 330 feet from the East line of said Section 21, completed at a depth of 316 feet on September 4, 1961.
- (3) That the applicant proposes that each well drilled in the new pool should be located no nearer than 165 feet to the outer boundary of the quarter-quarter section on which it is located and should be located no nearer than 330 feet to the nearest well capable of producing from the same common source of supply.
- (4) That the pool should be named the Chaco Wash-Mesaverde Oil Pool.
- (5) That the subject application should be approved.

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IT IS THEREFORE ORDERED:

(1) That a new pool in McKinley County, New Mexico, classified as an oil pool for Mesaverde production is hereby created and designated as the Chaco Wash-Mesaverde Oil Pool, comprising the SE/4 of Section 21, Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico.

(2) That for allowable purposes, the 40-acre proportional factor for pools from 0 to 5000 feet shall apply to said Chaco Wash-Mesaverde Oil Pool, and no 40-acre proration unit shall produce in excess of the 40-acre top unit allowable for wells in the 0 to 5000 feet depth range in Northwest New Mexico.

(3) That each well drilled in the Chaco Wash-Mesaverde Oil Pool shall be located no nearer than 165 feet to the outer boundary of the quarter-quarter section on which it is located and shall be located no nearer than 330 feet to the nearest well capable of producing from the same common source of supply.

(4) 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



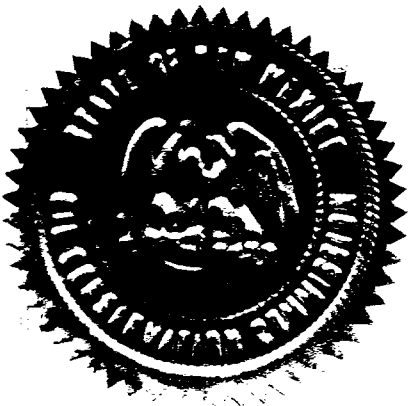
EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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



esr/