

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
WILLIAM A. AND EDWARD R. HUDSON FOR
AN EXCEPTION TO THE PROVISIONS OF
ORDER R-3221, AS AMENDED, OR AN EX-
TENSION OF THE AREA COVERED BY ORDER
R-3221-B, LEA COUNTY, NEW MEXICO.

Case 3892

A P P L I C A T I O N

Come now William A. and Edward R. Hudson and apply to the Oil Conservation Commission of New Mexico for an exception to the provisions of Commission Order R-3221, as amended, or an extension of the area covered by Order R-3221-B to include the West Tonto-Yates-Seven Rivers Pool, as defined by the Commission, and in support thereof would show:

1. Applicants are the operators in the West Tonto-Yates-Seven Rivers Pool, Lea County, New Mexico, at the present time producing approximately 135 barrels of oil per day, and 1600 barrels of water per day.

2. Production in the pool has been declining, although the installation of new pumping equipment has caused a temporary increase in the amount of oil produced.

3. The West Tonto-Yates-Seven Rivers Pool is structurally similar, insofar as surface and subsurface drainage is concerned, as the area included in a general exception to the Commission's no-pit order, under the provisions of Order R-3221-B and is located within approximately four and one-half miles of the outer boundaries of said area.

4. Because of declining production, volumes of water being produced, and the costs of operation of the wells within the West Tonto-Yates-Seven Rivers Pool, an extension of the area affected by Order R-3221-B or an exception to the provisions of order R-3221, as amended, is necessary to prevent waste caused by failure to produce oil that would otherwise be recovered.

5. No fresh waters will be adversely affected by an exception to the provisions of Order R-3221, as amended, as requested herein.

6. There is attached hereto, and made a part of this application, a plat showing the West Tonto-Yates-Seven Rivers Pool, Lea County, New Mexico, together with an analysis of the waters being produced from said pool.

WHEREFORE, applicants pray that this matter be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order granting the relief prayed for.

Respectfully submitted,

WILLIAM A. and EDWARD R. HUDSON

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