

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE 9430  
Order No. R-8734

APPLICATION OF MOBIL EXPLORATION AND  
PRODUCING U.S. INC. FOR COMPULSORY  
POOLING OR IN THE ALTERNATIVE FOR  
APPROVAL OF A NON-STANDARD GAS PRORATION  
UNIT IN THE SOUTH SHOE BAR-ATOKA GAS  
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on July 14, 1988, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 19th day of September, 1988, 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 THAT:

- (1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) At the time of hearing Cases 9331, 9429 and 9430, involving the same land and subject matter, were consolidated for purposes of hearing.
- (3) Applicant Phillips Petroleum Company (Phillips), in Case 9331 sought, and was denied by Order R-8644, approval of non-standard location 660 feet from the North and West lines of Section 22, Township 17 South, Range 35 East for a well to be drilled to the South Shoe Bar-Atoka Gas Pool and to assign to said well a non-standard proration unit of either 80 acres or 160 acres. Said case was presented at this hearing, de novo.
- (4) Applicant Phillips in Case 9429 seeks to force-pool either the N/2 or W/2 of Section 22 to form a standard 320-acre gas spacing and proration unit and to reform administrative order NSP-1470-(L) covering the NE/4 and E/2 NW/4, which is

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