

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 337
ORDER NO. R-144

THE APPLICATION OF R. S. MAGRUDER
TO UNITIZE FOR PRORATION AND
PRODUCTION AND OPERATION PURPOSES
LOT 1 AND 2, SECTION 33, WITH THE NE/4
NW/4 AND SE/4 NW/4 OF THE SAME SECTION
IN TOWNSHIP 24 SOUTH, RANGE 38 EAST,
NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION;

This matter came on for hearing at Santa Fe, New Mexico, at 10:00 a. m., January 22, 1952 before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 11th day of April 1952, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearing, and being otherwise fully advised in the premises,

FINDS:

- (1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the NE/4 of section 33, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico, is composed of Lots 1 and 2, Lot 1 containing 7.21 acres and Lot 2 containing 7.24 acres.
- (3) That the lots in question are near the defined limits of the West Dollarhide pool.
- (4) That wells drilled on the lots in question would be entitled to only approximately 7/40 of the allowable allowable assigned to a full 40-acre unit.
- (5) That Gulf Oil Corporation holds by production State Oil & Gas Lease No. B-1732-1 covering, with other lands, the NE/4 NW/4 and the SE/4 NW/4, abutting said lots 1 and 2, respectively, in said section; that by communitizing Lot 1 with the NE/4 NW/4 and Lot 2 with the SE/4 NW/4 two units approximating square quarter-quarter sections of 47.21 acres and 47.24 acres, respectively, could be had; that by such communitization waste could be prevented and correlative rights protected.
- (6) That Lot 1 section 33, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico, because of its small size, should be unitized for the purposes of production and proration of oil with the normal drilling unit to the west, being the NE/4 NW/4 section 33, Township 24 South, Range 38 East, NMPM.
- (7) That Lot 2 section 33, Township 24 South, Range 38 East, NMPM Lea County, New Mexico, because of its small size should be unitized for the purpose of production and proration of oil with the normal drilling unit to the west, being the SE/4 NW/4 section 33, Township 24 South, Range 38 East, NMPM.

IT IS THEREFORE ORDERED:

- (1) That Lot 1 and the NE/4 NW/4 (comprising one unit of 47.21 acres) and Lot 2 and the SE/4 NW/4 (comprising one unit of 47.24 acres), section 33, Township 24 South, Range 38 East, be, and the same hereby are respectively communitized for development and production of oil and gas, provided, however:

- (a) That such communitization shall not become effective until and unless the applicant herein, or his successors in ownership, shall have

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filed in this office an agreement duly executed by himself and/or successors and the Gulf Oil Corporation, duly approved in writing by the Director of the U. S. Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

(b) That upon production being had upon either or both communitized tracts, the same shall be given allowable of 47/40 of the current top allowable assigned.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

SEAL