

*Entered February 10, 1966
WLF*

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. 3367
Order No. R-3042

APPLICATION OF PENROC OIL CORPORATION
FOR A NON-STANDARD OIL PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 26, 1966, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of February, 1966, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Penroc Oil Corporation, seeks approval of a 160-acre non-standard oil proration unit comprising the NE/4 SW/4, N/2 SE/4, and SW/4 SE/4 of Section 7, Township 19 South, Range 32 East, NMPM, in the Lusk-Strawn Pool, Lea County, New Mexico.
- (3) That the applicant proposes to dedicate the proposed non-standard unit to a well to be drilled 660 feet from the South line and 1650 feet from the East line of said Section 7.
- (4) That approval of the proposed non-standard oil proration unit would afford the applicant the opportunity to produce more than its just and equitable share of the oil in the Lusk-Strawn Pool.

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(5) That approval of a 120-acre non-standard oil proration unit comprising the N/2 SE/4 and SW/4 SE/4 of said Section 7 will afford each operator in the Lusk-Strawn Pool the opportunity to produce his just and equitable share of the oil in the pool, and will otherwise prevent waste and protect correlative rights.

(6) That the application should be denied insofar as it requests inclusion of the NE/4 SW/4 of said Section 7 in the proposed non-standard proration unit.

IT IS THEREFORE ORDERED:

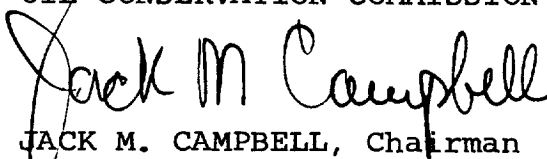
(1) That a 120-acre non-standard oil proration unit in the Lusk-Strawn Pool comprising the N/2 SE/4 and SW/4 SE/4 of Section 7, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Penroc Oil Corporation well to be drilled 660 feet from the South line and 1650 feet from the East line of said Section 7.

(2) That the applicant's request for inclusion of the NE/4 SW/4 of said Section 7 in the proposed non-standard oil proration unit is hereby denied.

(3) 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


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


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

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