

Entered April 30, 1979
JLR

STATE OF NEW MEXICO
ENERGY AND MINERALS 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 NO. 6489
Order No. R-4831-A

APPLICATION OF J. V. FRITTS AND
Wm. B. BARNHILL FOR REVIEW OF
ORDER NO. R-4831, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on March 7, 1979, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 30th day of April, 1979, 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:

(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 applicants, J. V. Fritts and Wm. B. Barnhill, seek the review and interpretation of Order No. R-4831 to permit them the opportunity to join in the drilling of the Federal "B" Well No. 1 located in Unit P of Section 1, Township 18 South, Range 26 East, NMPM, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, and to determine the applicability of the 200 percent risk factor.

(3) That Case No. 5267 was heard on July 10, 1974, by a Commission Examiner upon the application of Mark Production Company to force pool the E/2 of said Section 1.

(4) That notice of said hearing was properly given by the Commission pursuant to Section 65-3-6 NMSA 1953.

-2-

Case No. 6489
Order No. R-4831-A

(5) That as a result of said notice being properly given, all interest owners in the E/2 of said Section 1 were notified that the tract was the subject of a force pooling case, and were therefore given the opportunity to appear at the hearing.

(6) That as a result of said hearing, the Commission issued the aforesaid Order No. R-4831 which pooled said lands and imposed a 200 percent risk factor for those not joining in the drilling of the well within the time limits set forth in this order.

(7) That Mark Production Company drilled said Federal B Well No. 1 on a compulsorily pooled 320-acre spacing and proration unit consisting of the E/2 of said Section 1 under the terms and provisions of Order No. R-4831.

(8) That the evidence in Case No. 6489 showed that Mark Production Company spudded the Federal "B" Well No. 1 on August 30, 1974, and completed it on November 22, 1974.

(9) That neither J. V. Fritts and Wm. B. Barnhill nor their predecessors in interest in the E/2 of said Section 1 joined in the drilling of said Federal "B" Well No. 1 within said time limit.

(10) That the applicants in this case had no record title to their interest in the E/2 of said Section 1 until January 17, 1975, on which date their leases were recorded in Eddy County.

(11) That the applicants' predecessors in interest did not have record title at the time of the force pooling case held July 10, 1974.

(12) That the notice of hearing for Case No. 5267, as in all compulsory pooling cases, was in rem, and all interest owners, whether or not of record, were notified of the case and were given the opportunity to appear and testify and to make their interest known, and assure themselves the opportunity to join in the drilling of the well without being subject to the risk penalty provisions of said Order No. R-4831.

(13) That the applicants did not avail themselves of this opportunity, and their application at this time is untimely and should therefore be denied.

-3-

Case No. 6489

Order No. R-4831-A

IT IS THEREFORE ORDERED:

(1) That the application of J. V. Fritts and Wm. B. Barnhill for the opportunity to join in the drilling of the Federal "B" Well No. 1 located in Unit P of Section 1, Township 18 South, Range 26 East, NMPM, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, without being subject to the 200 percent risk factor provided in Division Order No. R-4831 is hereby denied.

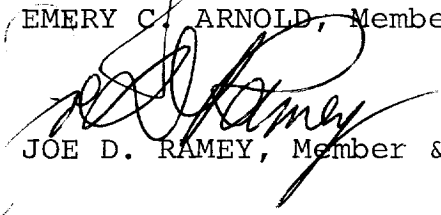
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

ALEX J. ARMIJO, Member


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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