Entered July 13, 1964 Celp

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. 3035 Order No. R-2733

APPLICATION OF SHELL OIL COMPANY FOR A NON-STANDARD GAS 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 April 29, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of July, 1964, 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, Shell Oil Company, seeks approval of a 320-acre non-standard gas proration unit in the Tubb Gas Pool comprising the S/2 of Section 22, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to its Turner Well No. 2, located in Unit L of said Section 22.

(3) That the applicant has not established that the subject well can efficiently and economically drain and develop the proposed non-standard unit.

(4) That the applicant has not established that approval of the subject application will either prevent waste or protect correlative rights.

(5) That the subject application should be <u>denied</u>.

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IT IS THEREFORE ORDERED:

(1) That the subject application is hereby <u>denied</u>.

(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 hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION CK M. CAMPBELL, Chairman . 17 LKER. Member

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

SEAL