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

> CASE NO. 251 ORDER NO. R-50A

THE MATTER OF THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR THE POOLING OF SEPARATELY OWNED ROYALTY OR MINERAL INTERESTS IN THE E 1/2 NE/4, SECTION 3, TOWNSHIP 12 S, R 33 E, WITHIN A PROPOSED PRORATION UNIT IN THE BAGLEY-SILURO-DEVONIAN POOL, IN LEA COUNTY, NEW MEXICO.

ORDER OF DISMISSAL

BY THE COMMISSION:

This matter coming before the Commission this day upon motion for dismissal duly filed by the Applicant, and no reason appearing contrary to said motion,

IT IS THEREFORE ORDERED, That the application herein filed be, and the same hereby is dismissed without prejudice.

DONE AT SANTA FE, NEW MEXICO, this 29th day of June, 1951.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

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GUY SHEPARD, Member

R. R. SPURRIER, Secretary

IN THE MATTER OF THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR THE POOLING OF SEPARATELY OWNED ROYALTY OR MINERAL INTERESTS IN THE E/2 NE/4 SECTION 3, TOWN-SHIP 12-SOUTH, RANGE 33-EAST, WITHIN A PROPOSED PRORATION UNIT IN THE BAGLEY-SILURO-DEVONIAN POOL IN LEA COUNTY, NEW MEXICO

CASE NO. 251

APPLICATION FOR DISMISSAL

Comes now Amerada Petroleum Corporation and hereby respectfully requests the Oil Conservation Commission to dismiss without prejudice the Application heretofore filed by Applicant in the above styled case, which was continued by Order No. R-50 to April 24, 1951, for the reason that Applicant has filed its Application in Case No. 249 for a modification of the Spacing Order No. R-69, entered in said Case No. 249 which, if granted, renders the Application filed in the above styled case unnecessary.

Dated this 15 day of June, 1951.

HERVEX, DOW & HINKLE

HARRY D. PAGE AND BOOTH KELLOUGH

By Booth Kellough

ATTORNEYS FOR

AMERADA PETROLEUM CORPORATION

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.

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

> Case No. 251 Order No. R-50

IN THE MATTER OF THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR THE POOLING OF SEPARATELY OWNED ROYALTY OR MINERAL INTEREST IN THE E 1/2 of the NE 1/4 SECTION 3, T.12 S, R.33 E, WITHIN A PROPOSED PRORATION UNIT IN THE BAGLEY SILURO-DEVONIAN POOL, IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at 10:00 o'clock a.m. on January 25, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, and the Commission, taking cognizance of W. E. Mathers' (one of the interested parties) request for continuance and upon motion of Booth Kellough, attorney for the applicant, for continuance, it is therefore ordered that this case be continued until the regularly set April 24, 1951 hearing of the Commission in Santa Fe, New Mexico.

DONE at Santa Fe, New Mexico, on this 25th day of January, 1951.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPUBRIER, Secretary

January 18, 1951

Mr. A. M. Swarthout Heidel & Swarthout Lea County State Bank Building Lovington, New Maxice

Rev Case 251, Application of

Dear Mr. Swarthouts

This is in reply to your letter of January 12, in which you advise that Mr. W. E. Mathers requests that we postpone the hearing of the above mentioned case, now scheduled for January 25.

Please be advised that it is routine that we hear this case on the appointed date, since it has been legally advertised and seen 690 operators have been notified.

We suggest that Mr. Mathers have a representative appear for him at the January 25 hearing, and make a request at that time for continuance of the case, if he so desires.

We enclose herewith, copy of the application filed by Amerada Petroleum Corporation, as per your request of January 12.

Very truly yours,

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

R. R. Spurrier Secretary-Director

RRS: bw

IN THE MATTER OF THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR THE POOLING OF SEPARATELY OWNED ROYALTY OR MINERAL INTERESTS WITHIN A PRORATION UNIT IN THE BAGLEY-SILURODEVONIAN POOL, LEA COUNTY, NEW MEXICO

CASE NO.	
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APPLICATION

COMES NOW Amerada Petroleum Corporation and alleges and states:

- l. That it has filed its application for a temporary order for the establishment for a period of one year 80-acre proration units and the uniform spacing of wells covering the Bagley-Siluro-Devonian Pool, Lea County, New Mexico.
- 2. That one of the 80-acre proration units requested in said application will comprise the E/2 NE/4 of Section 3, Township 12-South, Range 33-East, Lea County, New Mexico. Applicant is the owner of the full oil and gas leasehold estate covering all of said proration unit. The royalty or mineral ownership comprising said unit subject to oil and gas leases owned by Applicant is as follows:

NE/4 NE/4 Section 3, Township 12-South, Range 33-East, United States of America - All;

SE/4 NE/4 Section 3, Township 12-South, Range 33-East, W. E. Mathers - All.

- 3. That a well is now being drilled to the Bagley-Siluro-Devonian Pool, located in the center of SE/4 NE/4 Section 3, Township 12-South, Range 33-East, which is the authorized well for the proration unit comprising the E/2 of NE/4 of Section 3, T-12-S, R-33-E, as requested in said application.
- 4. That in order for each royalty or mineral owner to receive his just and equitable share of the oil and gas in said pool, it is necessary that the royalty or mineral interests of the owners of the separate tracts comprising said 80-acre proration unit be pooled and combined and that the royalty payable under the oil and gas leases covering said proration unit be apportioned among said owners in the proportion that their interest in the separate tracts comprising said unit bears to the entire royalty interest in the unit.
- 5. That the pooling of the royalty interests under separately owned tracts, as herein requested, cannot be avoided by any rearrangement of the location of the proration units requested in said application and is the only method whereby waste can be prevented, the drilling of unnecessary wells be avoided and, at the same time, the correlative rights of the owners of each tract within said proration unit be protected.
- 6. That the owners of the separate tracts within said proration unit have not agreed upon the pooling of their royalty interests and Applicant is entitled to an order as herein requested under the provisions of Sec. $69-213\frac{1}{2}(c)$ of 1949 Cumulative Pocket Supplement to 1941 New Mexico Statutes Appotated.

WHEREFORE, Applicant respectfully requests that the Commission set this application for hearing and that due and proper notice be given as required by law, and that in the event the Commission establishes 80-acre proration units and uniform spacing of wells for the Bagley-Siluro-Devonian Pool, as requested by Applicant in its application filed herein, the Commission enter an order combining and pooling all royalty interests within the 80-acre proration unit comprising the E/2 NE/4 Section 3, 12-South, 33-East, so that the royalty payable under the oil and gas leases covering said unit shall be apportioned among said royalty owners on a surface acreage basis in the proportion that the interest of each royalty owner bears to the total royalty interest in said unit, and for such other relief to which Applicant may be entitled.

Dated this 284 day of December, 1950.

Seth & Montgomery

By Clum Let

Harry D. Page and Booth Kellough

By Booth Kellongh

Attorneys for Amerada Petroleum Corporation