BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF D. L. HANNIFIN FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case 4819

APPLICATION

Comes now D. L. Hannifin and, as provided by Section 65-3-14, New Mexico Statutes 1953, as amended, applies to the Oil Conservation Commission of New Mexico for an order pooling all of the mineral interests in and under S/2 of Section 24. Township 22 South, Range 26 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Commission:

- l. Applicant is the owner of the operating rights on the SE/4 of Section 24, Township 22 South, Range 26 East. N.M.P.M.
- 2. Michael P. Grace and Corinne Grace are the owners of the operating rights on the SW/4 of the above described section. Their address is P. O. Box 1418, Carlsbad, N.M., 88220.
- 3. Applicant proposes to drill a well in the South Carlsbad-Morrow Gas Pool to be located 1980 feet from the South line and 1980 feet from the East line of the above described section.
- 4. As required by the provisions of Commission Rule 104, Applicant proposes to dedicate the S/2 of Section 24, Township 22 South, Range 26 East, N.M.P.M. to the well.

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5. Applicant has been unable to obtain voluntary agreement for the pooling of the above unpooled interests, and in order to avoid the drilling of unnecessary wells, to protect correlative rights, and to prevent waste, the Commission should pool all interests in the spacing or proration unit as a unit.

WHEREFORE, applicant prays that the Commission set this matter for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order pooling all interests underlying the S/2 of Section 24, Township 22 South, Range 26 East, N.M.P.M., Eddy County, New Mexico, together with provision for applicant to recover his costs out of the production including a risk factor to be determined by the Commission and with provision for the payment of operating costs and costs of supervision out of production to be allocated among the owners as their interests may appear, and for such further orders as may be proper in the premises.

Respectfully submitted.

D. L. Hannifin

KELLAHIN & FOX

P. C. Box 1769

Santa Fe, New Mexico 87501 Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION

OF

MICHAEL P. GRACE II and CORINNE GRACE

FOR A COMPULSORY POOLING ORDER IN
THE SOUTH CARLSBAD-MORROW GAS POOL.
EDDY COUNTY, NEW MEXICO.

Case 4836

APPLICATION

COME NOW the Applicants in the above styled cause, and respectfully make application to the Commission for a compulsory pooling
order covering the S/2 of Section 24, Township 22 South, Range 26
East, N.M.P.M., Eddy County, New Mexico, covering all mineral
interests of whatsoever kind and nature in all formations from the
surface of the earth to the base of the Morrow formation. Applicants
further pray that Applicants be named as the operator of the
pooled unit requested above.

Applicants would propose to dedicate the above referred pool unit to a well to be drilled at an orthodox location at some point within the boundary of said pool unit, which location will be selected by the Applicants prior to the time of hearing on this application, after having all geological data that could be derived from the presently drilling wells in the immediate area.

Applicants are the owners of and have the sole and exclusive right to drill from the formations which are the subject of this application underlying the SW/4 of said Section 24, and applicants are informed and believe and on the basis of such information and belief allege that D. L. Hannifin, whose address is P. O. Box 182,

Roswell, New Mexico, owns or controls the drilling rights with respect to the same formations underlying the SE/4 of said Section 24.

D. L. Hannifin has heretofore filed application with the Commission for a compulsory pooling order covering the S/2 of said Section 24, which has been docketed as Commission case no. 4819 and is currently set down for hearing on or about September 13, 1972, which application requests that D. L. Hannifin be named as operator of said pooled unit. In view of the conflict between the instant application and that of D. L. Hannifin referred to above, Applicants would respectfully move the Commission to continue the hearing on the Hannifin application in case no. 4819 until such time as the instant application can be heard, after due notice as required by law, and then and there consolidate the instant application with case no. 4819 for purposes of hearing.

The instant application is in the interests of conservation and will prevent waste and protect the correlative rights of all parties concerned.

WHEREFORE, Applicants pray that the foregoing application be set down for hearing at the next regularly scheduled examiner's hearing, that case no. 4819 be continued until such time and that both cases be consolidated for purposes of hearing.

BURR & COOLEY

152 Petroleum Center Building Farmington, New Mexico 87401

Y / TO

William J. Cooley Attorneys for Applicants