Entered Lehrung 19, 1960

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. 1875 Order No. R-1602

APPLICATION OF CONTINENTAL OIL COMPANY FOR A 160-ACRE NON-STANDARD GAS PRORATION UNIT IN THE BLINEBRY GAS POOL, LEA COUNTY, NEW MEXICO, AND FOR AN ORDER FORCE-POOLING THE INTERESTS OF THOSE IN SAID UNIT WHO HAVE GAS RIGHTS WITHIN THE VERTICAL LIMITS OF THE BLINEBRY GAS POOL

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 27, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this8th day of February, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 by Order No. R-920, a 120-acre non-standard gas proration unit in the Blinebry Gas Pool was established, consisting of lots 6, 10, and 11 of Section 3, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes the establishment of a 160-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of the above-described 120 acres plus lot 12 of said Section 3, which 160-acre unit would be dedicated to Shell Oil Company's Taylor-Glenn Well No. 1, located 3226 feet from the North line and 1980 feet from the West line of said Section 3.

-2-Case No. 1875 Order No. R-1602

- (4) That the applicant further seeks an order force-pooling the interests of those in the above-described 160 acres who have gas rights within the vertical limits of the Blinebry Gas Pool.
- (5) That all parties owning working interests in the above-described acreage have agreed to communitization.
- (6) That the applicant has made diligent efforts to communitize all royalty interests in the above-described 160-acre unit, but has been unable to secure the consent of all royalty owners.
- (7) That all known parties owning an interest in the above-described acreage were given actual notice of the hearing in this case and the Commission received no objection to approval of the application.
- (8) That denial of the application would tend to deprive those persons owning an interest in said lot 12 of the opportunity to recover their just and equitable share of the hydrocarbons, in the Blinebry Gas Pool, since all acreage surrounding said lot 12 which is productive from the Blinebry Gas Pool is dedicated to other Blinebry gas proration units.

IT IS THEREFORE ORDERED:

- (1) That a 160-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of lots 6, 10, 11, and 12 of Section 3, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the Taylor-Glenn Well No. 1, located 3226 feet from the North line and 1980 feet from the West line of said Section 3.
- (2) That the interests of all persons or firms having the right to drill for, produce, or share in the production of dry gas and associated liquid hydrocarbons from the Blinebry Gas Pool underlying lots 6, 10, 11, and 12 of Section 3, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same are hereby force-pooled.
- (3) That this order shall become effective on March 1, 1960; provided, however, that if the said Taylor-Glenn Well No. 1 is not in balance on March 1, 1960, this order shall become effective on the first day of the month following the month in which the well has been brought to a balanced status. The applicant shall notify the proration manager, Hobbs, New Mexico, as soon as possible after the subject well is brought into balance. Order No. R-920 is hereby cancelled as of the effective date of this order.

-3-Case No. 1875 Order No. R-1602

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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

SEAL