

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. 373
ORDER NO. R-169

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION OF NEW
MEXICO UPON ITS OWN MOTION FOR
AN ORDER EXTENDING RULE 104 OF
THE COMMISSION'S RULES AND
REGULATIONS, THE EXTENSION RELATING
TO THE POOLING OF FRACTIONAL LOTS OF
20.49 ACRES OR LESS WITH ANOTHER OIL
PRORATION UNIT.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing on May 20, 1952, at 9:00 a. m. at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on the 19th day of June, 1952, the Commission, a quorum being present, having considered the testimony adduced at the 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 there is need for an extension of Rule 104 of the Commission's Rules and Regulations to allow the Commission to approve the pooling of fractional lots of 20.49 acres or less with another proration unit without notice and hearing, provided certain requirements are met.

IT IS THEREFORE ORDERED:

That Rule 104 of the Commission's Rules and Regulations be and the same hereby is extended as follows:

RULE 104. (m) The Commission may approve the pooling for communitization of fractional lots of 20.49 acres or less with another oil proration unit when:

1. The Units involved are contiguous;
2. Part of the same basic lease, carrying the same royalty interest; and
3. The ownership of the units involved is common.

Application to the Commission for pooling shall be accompanied by three (3) copies of a certified plat showing the dimensions and acreage involved in the pooling, the ownership of all leases and royalty interests involved, and the location of any proposed wells.

Applicants shall furnish all operators who directly offset the units involved with a copy of the application to the Commission, and applicant shall include with his application a written stipulation that all offset operators have been properly notified. In this instance, offset operators shall include only those operators who have offset properties within the State of New Mexico. The Commission shall wait at least ten (10) Days before approving any such pooling, and shall approve such pooling only in the absence of objection from any offset operator. In the event that an operator objects to the pooling, the Commission shall consider the matter only after proper notice and hearing.

The Commission may waive the ten-day waiting period requirement if the applicant furnishes the Commission with the written consent to the pool-

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ing by all offset operators involved.

The Commission may consider that the requirements of sub-paragraphs 2 and 3 of Paragraph (m) of this rule have been fulfilled if the applicant furnishes with each copy of each application to the Commission a copy of an executed pooling agreement communitizing the units involved.

Each well drilled on any communitized tract shall be located in the approximate geographical center of the combined units with a tolerance of 150 feet for topographical conditions, but in any event shall not be located closer than 330 feet to the outer boundaries of the proposed proration unit or communitized tract.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

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