

Entered January 15/1963
L.P.

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. 2711
Order No. R-2394

APPLICATION OF GULF OIL CORPORATION
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 6, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 this 26th day of December, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Gulf Oil Corporation, seeks an order extending Order No. R-1726-A until January 1, 1963; pooling all mineral interests in the Blinebry Gas Pool underlying the SE/4 of Section 23, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico; and establishing the SE/4 of said Section 23 as a standard 160-acre proration unit and the SW/4 of said Section 23 as a standard 160-acre proration unit.

(3) That the applicant has made diligent effort to identify and to locate all owners of interest in the proposed proration units.

(4) That each non-consenting interest owner whose identity and address is known has been offered an opportunity to join with the applicant.

(5) That all working and royalty interest owners in the SW/4 of said Section 23 have communitized their respective interests.

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(6) That all working interest owners in the SE/4 of said Section 23 have communitized or agreed to communitize their respective interests.

(7) That although the applicant has been diligent in its efforts to form the proposed proration units, there remain non-consenting royalty interest owners in the SE/4 of said Section 23 who have not agreed to the pooling of their interests.

(8) That the applicant proposes to dedicate the SE/4 of said Section 23 to its Allie M. Lee Well No. 1, located in Unit I of said Section 23.

(9) That to avoid the drilling of unnecessary wells, to protect correlative rights, and to afford to the owner of each interest in the SE/4 of said Section 23 the opportunity to recover or receive without unnecessary expense his just and fair share of the gas in the Blinebry Gas Pool, the subject application should be approved by pooling all mineral interests, whatever they may be, within said unit.

(10) That all proceeds from production from the subject well which are not disbursed for any reason should be placed in escrow in Lea County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership.

(11) That Gulf Oil Corporation should be designated the operator of the subject well and the 160-acre unit comprising the SE/4 of said Section 23.

(12) That the SE/4 of said Section 23 should be established as a standard 160-acre proration unit and the SW/4 of said Section 23 should be established as a standard 160-acre proration unit.

(13) That Order No. R-1726-A should remain in full force and effect until January 1, 1963, and that the force-pooling provisions of this order should become effective on January 1, 1963.

IT IS THEREFORE ORDERED:

(1) That Order No. R-1726-A is hereby extended in full force and effect to January 1, 1963.

(2) That, effective January 1, 1963, all mineral interests, whatever they may be, in the Blinebry Gas Pool underlying the SE/4 of Section 23, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, are hereby pooled to form a standard 160-acre gas proration unit. Said unit shall be dedicated to the Allie M. Lee Well No. 1, located in Unit I of said Section 23.

(3) That, effective January 1, 1963, the SE/4 of said Section 23 shall be a standard 160-acre gas proration unit and the

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SW/4 of said Section 23 shall be a standard 160-acre gas proration unit.

(4) That Gulf Oil Corporation is hereby designated the operator of the subject well and the 160-acre unit comprising the SE/4 of said Section 23.

(5) That all proceeds from production from the subject well which are not disbursed for any reason shall be placed in escrow in Lea County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership. Gulf Oil Corporation shall notify the Commission as to the name and address of said escrow agent on or before February 1, 1963.


(6) 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


TOM BOLACK, Chairman


E. S. WALKER, Member


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

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