

*Entered May 2, 1966
C.P.C.*

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. 3376
Order No. R-3061

APPLICATION OF T. E. BROWN, JR.,
AND CLAUDYNE BROWN THORP FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 13, 1966, at Hobbs, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 2nd day of May, 1966, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said 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 Pan American Petroleum Corporation is the operator of the Greenwood Pre-Grayburg Operating Area Well No. 1, located 660 feet from the North line and 1980 feet from the East line of Section 7, Township 19 South, Range 32 East, NMPM, Lusk-Strawn Pool, Lea County, New Mexico.

(3) That said well has dedicated to it the NE/4 of said Section 7, being a standard 160-acre proration unit for an oil well in the Lusk-Strawn Pool.

(4) That the applicants, T. E. Brown, Jr., and Claudyne Brown Thorp, among others, are owners of certain overriding royalty interests underlying the aforesaid NE/4 of said Section 7; that there are owners of interest in the subject lands who have not agreed to pool their interests.

-2-

CASE No. 3376

Order No. R-3061

(5) That the applicants seek an order force pooling all oil and gas mineral interests as to the Lusk-Strawn Pool underlying the NE/4 of said Section 7, with a provision that said pooling should be effective October 10, 1964, the date of first production from the subject lands and said pool.

(6) That in order to prevent waste and to protect correlative rights, and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and equitable share of the oil and gas in said pool, the subject application should be approved by pooling all mineral interests, whatever they may be, within said unit. Provided however, that the effective date of such pooling should be the date of entry of this order.

(7) That Pan American Petroleum Corporation should be designated the operator of the subject well and unit.

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

IT IS THEREFORE ORDERED:

(1) That all oil and gas mineral interests, whatever they may be, in the Lusk-Strawn Pool underlying the NE/4 of Section 7, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico, are hereby pooled to form a 160-acre oil proration unit to be dedicated to the Greenwood Pre-Grayburg Operating Area Well No. 1, located 660 feet from the North line and 1980 feet from the East line of said Section 7.

(2) That Pan American Petroleum Corporation is hereby designated the operator of the subject well and unit.

(3) 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(s) thereof upon demand and proof of ownership; that the operator shall notify the Commission of the name and address of said escrow agent within 90 days from the date of this order.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-

CASE No. 3376

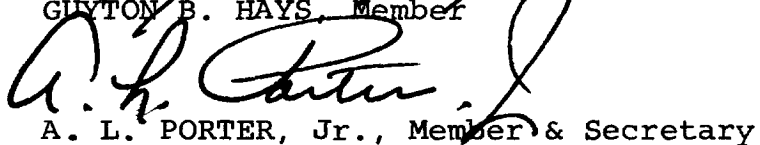
Order No. R-3061

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


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

S E A L

esr/