Cartand May 11, 1966 asp.

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. 3394 Order No. R-3065

APPLICATION OF SHELL OIL COMPANY FOR A NON-STANDARD GAS PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 27, 1966, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>llth</u> day of May, 1966, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Shell Oil Company, seeks approval of a 160-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the N/2 SW/4, SE/4 SW/4, and NW/4 SE/4 of Section 22, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to its Turner Well No. 13 located in Unit N of said Section 22.

(3) That although the proposed non-standard gas proration unit does not lie wholly within a single governmental quarter section and therefore is not eligible for administrative approval, it consists of contiguous quarter-quarter sections or lots, and the entire unit may reasonably be presumed to be productive of gas from the Blinebry Gas Pool.

(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the pool, and will otherwise prevent waste and protect correlative rights. -2-CASE No. 3394 Order No. R-3065

IT IS THEREFORE ORDERED:

(1) That a 160-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the N/2 SW/4, SE/4 SW/4, and NW/4 SE/4 of Section 22, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Shell Oil Company Turner Well No. 13 located in Unit N of said Section 22.

(2) That the net status of the herein authorized nonstandard proration unit shall be the combined status of the proration units presently assigned to the Turner Well No. 13 located in Unit N of said Section 22 and the Turner Well No. 3 located in Unit J of said Section 22.

(3) That Administrative Order No. NSP-743, which authorized a 120-acre non-standard gas proration unit for the aforesaid Turner Well No. 13 comprising only a portion of the acreage described above, is hereby cancelled.

(4) 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

CAMPBELL Chairman

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

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