Enlered 12 in 11, 1967

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. 3556 Order No. R-3235

APPLICATION OF SOUTHLAND ROYALTY COMPANY FOR AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 3, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>llth</u> day of May, 1967, 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, Southland Royalty Company, seeks authority to drill a wildcat gas well to the Pennsylvanian formation, or deeper, at an unorthodox wildcat gas well location 660 feet from the North line and 660 feet from the West line of Section 20, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

(3) That the drilling of a well at the proposed location will not result in violation of correlative rights.

(4) That approval of the subject application may result in the discovery of a hitherto unknown common source of supply, thereby averting waste.

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IT IS THEREFORE ORDERED:

(1) That the applicant, Southland Royalty Company, is hereby authorized to drill a wildcat gas well at an unorthodox wildcat gas well location 660 feet from the North line and 660 feet from the West line of Section 20, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico, to test the Pennsylvanian or deeper formations.

(2) 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 DAVID F. CARGO, Chai man 8-15 B. HAY Member TON λı A. L. PORTER, Jr., Member & Secretary

SEAL