

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. 591  
Order No. R-367

THE APPLICATION OF W. P. CARR FOR  
APPROVAL OF AN UNORTHODOX DRILLING  
UNIT FOR PICTURED CLIFFS GAS PRO-  
DUCTION IN THE SW/4 OF SECTION 9, TOWN-  
SHIP 30 NORTH, RANGE 11 WEST, NMPM,  
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. September 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 18th day of September, 1953, the Commission having considered the testimony adduced and exhibits offered 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 Applicant is the owner of oil and gas leases covering lands located in Township 30 North, Range 11 West, NMPM, as follows:

SW/4 Section 9 - 137.9 acres more or less

as more particularly set out and described in exhibits offered at said hearing.

3. That Applicant has made diligent effort to obtain leases upon additional lands in said quarter section.

4. That additional leases cannot be obtained, or the title to lands involved therein cannot be cleared within a reasonable time.

5. That under the provisions of Commission Rule No. 104 (d), it is provided that all wells drilled within a defined gas pool shall be located on a tract consisting of not less than a quarter section consisting of approximately 160 surface contiguous acres substantially in the form of a square which shall be a legal subdivision (quarter section) of the U. S. Public Land Surveys.

6. That part of the SW/4 Section 9, Township 30 North, Range 11 West, NMPM, lie within the corporate limits of the town of Aztec, New Mexico.

7. That lands within the corporate limits of the town of Aztec, New Mexico, and other lands in quarter section have been subdivided into numerous small tracts and lots, and that it is impractical to secure leases on such tracts and lots or to determine the ownership thereof for the purpose of pooling said tracts and lots.

8. That unless an exception is granted to the provisions of Rule No. 104 (d) Applicant will be denied his opportunity to produce his just and equitable share of the oil or gas or both in the Aztec-Pictured Cliffs Pool.

9. That approval of this unorthodox drilling unit is in the interest of conservation, will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

1. That the application of W. P. Carr for approval of an unorthodox drilling unit in the SW/4 of Section 9, Township 30 North, Range 11 West, NMPM, be, and the same hereby is approved.

PROVIDED, HOWEVER, that should proration be instituted, then and in that event production allowable shall be in the proportion that the acreage herein bears to a standard proration unit.

IT IS FURTHER ORDERED:

1. That Applicant herein may commit to the drilling unit approved herein any additional acreage within the quarter section involved herein upon which he may obtain leases, by notifying the Secretary (and Director) of the Commission that such leases have been obtained, and providing a description thereof, which description shall include the total number of acres covered by such leases.

2. That the owner or holder of the mineral rights to any acreage not committed to said drilling unit, but lying within the outer boundaries of said quarter section, may, at his election, commit such acreage to said drilling unit and obtain his equitable, proportionate share in the production from any well or wells drilled thereon, upon such terms as are just and reasonable.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary

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