

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. 667  
Order No. R-413

THE APPLICATION OF FRANCIS L. HARVEY  
FOR COMPULSORY POOLING OR APPROVAL  
OF AN UNORTHODOX DRILLING UNIT OF LESS  
THAN 160 ACRES FOR PICTURED CLIFFS GAS  
PRODUCTION IN NW/4 SEC. 29, T. 29 N., R. 10 W.,  
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., February 17, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 17th day of March, 1954, the Commission, a quorum being present, having considered the testimony offered and exhibits entered 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 the applicant is the owner of oil and gas exploration and development rights to the Pictured Cliffs gas formation covering lands located in Township 29 North, Range 10 West, NMPM, as follows:

Sec. 29 West 25 acres of NW/4 NW/4,  
NE/4 NW/4, SE/4 NW/4, East 30  
acres of SW/4 of NW/4,

comprising 135 acres, more or less.

(3) That such rights to said acreage are held under a farm-out agreement with Stanolind Oil and Gas Company.

(4) That applicant is operator of a well, Black & Taylor No. 1, drilled in the SE/4 NW/4, Sec. 29, Twp. 29 N., Rge. 10 W., NMPM, which well was completed for the production of gas in the Pictured Cliffs formation, in the Aztec Pictured Cliffs Gas Pool, San Juan County, New Mexico.

*Entered 3-29-54 J.R.*

(5) That approval of the location of said well was conditioned upon approval by this Commission of an unorthodox gas unit of less than 160 acres.

(6) That Mamye E. Morgan, et al., are apparent owners of mineral rights to the East 15 acres of NW/4 NW/4 and Dr. Eugene M. Davie, et al., are apparent owners of the mineral rights to the West 10 acres of SW/4 NW/4 of said section.

(7) That diligent efforts have been made to secure leases to the East 15 acres of the NW/4 NW/4, and the West 10 acres of the SW/4 NW/4 of Sec. 29, Twp. 29 N., Rge. 10 W., NMPM, and said efforts have been without success.

(8) That no appearance was made in opposition to this application.

(9) That compulsory pooling of lands in the NW/4 of said Sec. 29 is not practical for the reason that all of the owners thereof cannot be located.

(10) That unless an exception is granted to the provisions of Commission Rule No. 104 (d), applicant will be denied an opportunity to produce his just and equitable share of the oil or gas, or both, from the Aztec Pictured Cliffs Gas Pool, and that such an exception will be in the interests of conservation, and will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Francis L. Harvey for approval of an unorthodox drilling unit consisting of West 25 acres of NW/4 NW/4, NE/4 NW/4, SE/4 NW/4, East 30 acres of SW/4 NW/4, Sec. 29, Twp. 29 N., Rge. 10 W., NMPM, Aztec Pictured Cliffs Gas Pool, San Juan County, New Mexico, is hereby approved.

PROVIDED, HOWEVER, That should prorationing of gas be instituted, then and in that event the allowable for said unit shall be in proportion that the acreage herein bears to a standard proration unit of 160 acres.

IT IS FURTHER ORDERED:

(1) That applicant may commit to the drilling unit herein approved, any additional acreage lying within the NW/4 Sec. 29, Twp. 29 N., Rge. 10 W., upon which he may obtain leases or other rights to produce, by notifying the Secretary (and Director) of this Commission that such leases or rights have been obtained, together with a description thereof.

(2) That the owner or holder of the mineral rights to any acreage not committed to said unit but lying within the NW/4 Sec. 29, Twp. 29 N., Rge. 10 W., may, at his election commit such acreage to said unit and obtain his equitable proportionate share of the production from said unit, upon such terms as are just and reasonable.

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.  
Signed by: Edwin L. Mechem, Chairman; E. S. Walker, Member; R. R. Spurrier, Secretary.