

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 676  
Order No. R-454

THE APPLICATION OF MID-CONTINENT  
PETROLEUM CORPORATION FOR AN ORDER  
GRANTING APPROVAL OF AN EXCEPTION  
PURSUANT TO RULE 7 (a) OF ORDER NO.  
R-373-A IN ESTABLISHMENT OF AN UNOR-  
THODOX GAS PRORATION UNIT OF 160  
CONTIGUOUS ACRES CONSISTING OF THE  
SOUTH HALF OF THE SOUTH HALF OF  
SECTION 16, TOWNSHIP 21 SOUTH, RANGE 37  
EAST, NMPM, LEA COUNTY, NEW MEXICO,  
IN THE TUBB GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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

NOW, on this 16th day of April, 1954, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises;

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 7 (a) of Order No. R-373-A, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

(3) That applicant, Mid-Continent Petroleum Corporation, is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than legal quarter section, and described as follows, to-wit:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM  
S/2 S/2 of Section 16

*Entered 4-29-54 I.R.*

containing 160 acres, more or less.

(4) That applicant, Mid-Continent Petroleum Corporation, has obtained permission from the Commission to dually complete a well known as the State "15" Well No. 4 located 660 feet from the South and East lines of Section 16, Township 21 South, Range 37 East, NMPM, the well to be dually completed in the Tubb Gas Zone and Drinkard Oil Zone.

(5) That the aforesaid well is located within the limits of the pool heretofore delineated and designated as the Tubb Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the South half of Section 16, Township 21 South, Range 37 East, NMPM., and that the owners of adjoining acreage in said half section have not objected to the formation of the proposed proration unit of 160 acres, but have expressly consented thereto.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Tubb Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, will protect correlative rights, and is necessary to prevent confiscation of applicant's property.

IT IS THEREFORE ORDERED:

(1) That the application of Mid-Continent Petroleum Corporation, for approval of an unorthodox proration unit consisting of the following described acreage

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM  
S/2 S/2 of Section 16

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, State "15", Well No. 4, located in the SE/4 SE/4 of Section 16, Township 21 South, Range 37 East, NMPM, shall be granted an allowable in the proportion that the above described 160 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission, the effective date of said allowable to be determined in accordance with the provisions of Rule 13 of Order R-373-A.

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

State of New Mexico  
Oil Conservation Commission

Signed by: Edwin L. Mechem, Chairman; E. S. Walker, Member; R. R. Spurrier, Secretary.