

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. 699
Order No. R-477

THE APPLICATION OF STANOLIND OIL AND
GAS COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT
TO RULE 7 (a) OF ORDER NO. R-373-A IN
ESTABLISHMENT OF AN UNORTHODOX GAS
PRORATION UNIT OF 160 CONTIGUOUS ACRES
CONSISTING OF EAST HALF SOUTHEAST
QUARTER, SOUTHWEST QUARTER SOUTHEAST
QUARTER, AND SOUTHEAST QUARTER SOUTH-
WEST QUARTER OF SECTION 4, 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 May 19, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 27th day of May, 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, Stanolind Oil and Gas Company, is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
E/2 SE/4, SW/4 SE/4 and SE/4 SW/4 Section 4

containing 160 acres, more or less.

Entered 6-7-54 J.R.

(4) That applicant, Stanolind Oil and Gas Company, has a producing well on the aforesaid lease known as Southland Royalty "A", No. 4 located 660' from the South line and 660' from the East line of Section 4, Township 21 South, Range 37 East, NMPM.

(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 Southeast quarter and Southwest quarter of Section 4, Township 21 South, Range 37 East, NMPM, and that the owners of adjoining acreage in said quarter sections have not objected to the formation of the proposed proration unit of 160 acres.

(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 Stanolind Oil and Gas Company for approval of an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
E/2 SE/4, SW/4 SE/4 and SE/4 SW/4 of Section 4.

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

(2) That applicant's well, Southland Royalty "A", No. 4, located in the SE/4 SE/4 of Section 4, 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.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary and Member

(S E A L)