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

> CASE NO. 747 Order No. R-519

THE APPLICATION OF TRINITY PRODUCTION 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 240 CONTIGUOUS ACRES CONSISTING OF NW/4, AND W/2 NE/4 OF SECTION 21, TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM, 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 July 15, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 12th day of August, 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, Trinity Production 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 NW/4 and W/2 NE/4 of Section 21

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containing 240 acres, more or less.

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(4) That applicant, Trinity Production Company, has a producing well on the aforesaid lease known as Weatherly No. 1-E, located 2080 feet from the north line and 1920 feet from the east line of Section 21, Township 21 South, Range 37 East.

(5) That the aforesaid well was completed and in production prior to January 1, 1954, the effective date of Order No. R-373-A, and 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 NE/4 of Section 21, 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 240 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 and will protect correlative rights.

## IT IS THEREFORE ORDERED:

(1) That the application of Trinity Production Company for approval of an unorthodox proration unit consisting of the following described acreage:

# TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM NW/4 and W/2 NE/4 of Section 21

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

(2) That applicant's well, Weatherly No. 1-E, located in the SW/4 NE/4 of Section 21, Township 21 South, Range 37 East, NMPM, shall be granted an allowable from January 1, 1954, in the proportion that the above-described 240-acre unit bears to the standard orthodox proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

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