Entered Lebruary 9, 1981

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

CASE NO. 7025 DE NOVO Order No. $R-64\overline{98}-\overline{A}$

APPLICATION OF SOUTHLAND ROYALTY COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 19, 1981, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 9th day of February, 1981, the Commission, a quorum being present, having considered the testimony presented and the exhibits received 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, Southland Royalty Company, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 35, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico.

(3) That the matter came on for hearing at 9 a.m. on September 17, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets and, pursuant to this hearing, Order No. R-6498 was issued on October 21, 1980, which granted Southland's application and compulsorily pooled all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 35, Township 18 South, Range 29 East, NMPM, Eddy County, New Mexico.

(4) That on November 6, 1980, application for Hearing $\underline{\text{De}}$ Novo was made by Southland Royalty Company and the matter was set for hearing before the Commission.

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(5) That the matter came on for hearing <u>de novo</u> on January 19, 1981.

(6) That a well has been drilled to the Pennsylvanian formation upon said pooled unit and is presently being tested for completion.

(7) That the log of said well indicates that in all probability the well will be a commercial well.

(8) That the evidence adduced at said hearing indicates that Division Order No. R-6498 entered October 21, 1980, should be affirmed.

IT IS THEREFORE ORDERED:

(1) That Division Order No. R-6498, entered October 21, 1980, is hereby affirmed.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

ALEX J. ARMIJO, Member (0

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