

Entered January 9, 1955
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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. 981
ORDER NO. R-735

THE APPLICATION OF J. C. WILLIAMSON
FOR AN ORDER GRANTING APPROVAL OF A
NON-STANDARD DRILLING AND PROPRATION
UNIT IN EXCEPTION TO PARAGRAPH (1)
OF THE SPECIAL RULES AND REGULATIONS
OF THE SOUTH KNOWLES-DEVONIAN POOL
AS CONTAINED IN ORDER NO. R-638-B
IN ESTABLISHMENT OF A NON-STANDARD
PROPRATION UNIT OF 80 CONTIGUOUS
ACRES CONSISTING OF THE N/2 NE/4
SECTION 24, TOWNSHIP 17 SOUTH,
RANGE 38 EAST, NMPM, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 21, 1955 at Santa Fe, New Mexico, before Warren W. Mankin, Examiner, duly appointed by the Oil Conservation Commission of New Mexico in accordance with Rule 1214 of Order No. R-681.

NOW, on this 14th day of December, 1955, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said application, the transcript of testimony and record, and the recommendations of the Examiner, Warren W. Mankin, 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 the Commission has power and authority after due notice and hearing to permit the formation of a proration unit consisting of other than an E/2 and W/2 of each governmental quarter section, in the area adjacent to the South Knowles-Devonian Pool.

(3) That applicant, J. C. Williamson and others are the owners by farmout agreement of a working interest in certain land adjacent to the South Knowles-Devonian Pool described as follows:

TOWNSHIP 17 SOUTH, RANGE 38 EAST, NMPM
N/2 NE/4 Section 24

(4) That the N/2 NE/4 of Section 24, Township 17 South, Range 38 East, NMPM, is productive of oil or gas in commercial quantities from the Devonian formation.

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(5) That the evidence indicates that the S/2 NE/4 of Section 24, Township 17 South, Range 38 East, NMPM, is unproductive of oil or gas in commercial quantities from the Devonian Formation.

(6) That applicant is now in process of drilling their Amerada-Hardin Well No. 1, located in the NW/4 NE/4 of Section 24, Township 17 South, Range 38 East, NMPM, adjacent to the South Knowles-Devonian Pool.

(7) That it is impractical from both an economic and conservation standpoint to pool applicant's said lease with aforesaid adjoining acreage in the area adjacent to the South Knowles-Devonian Pool.

(8) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of an opportunity to recover its just and equitable share of the oil in the South Knowles-Devonian Pool.

(9) That the creation of the proration unit consisting of the aforesaid acreage will not cause, but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

That the application of J. C. Williamson for approval of a non-standard drilling and proration unit in the area adjacent to the South Knowles-Devonian Pool consisting of the following described acreage:

TOWNSHIP 17 SOUTH, RANGE 38 EAST, NMPM
N/2 NE/4 Section 24

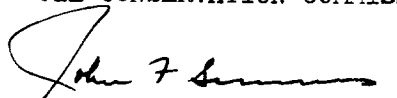
be and the same is hereby approved and a proration unit consisting of the aforesaid acreage is hereby created.

IT IS FURTHER ORDERED:

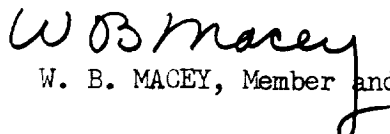
That the above described acreage be and the same is hereby dedicated to applicant's Amerada-Hardin Well No. 1 now drilling in the NW/4 NE/4 of said Section 24.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


W. B. MACEY, Member and Secretary

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