

*Entered April 25, 1957
O.L.P.*

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. 1211
Order No. R-981

APPLICATION OF W. P. CARR FOR AN
ORDER FORCE POOLING THE N/2 OF
SECTION 10, TOWNSHIP 30 NORTH,
RANGE 11 WEST, NMPM, SAN JUAN COUNTY,
NEW MEXICO, OR IN THE ALTERNATIVE FOR
THE APPROVAL OF A NON-STANDARD DRILL-
ING AND PRORATION UNIT CONSISTING OF
THE N/2 OF SECTION 10 LESS THAT PORTION
OF THE S/2 NW/4 THEREOF LYING WEST OF
THE DENVER AND RIO GRANDE RAILWAY
RIGHT-OF-WAY.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on February 20, 1957, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 23rd day of April, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 case and the subject matter thereof.

(2) That the applicant is the owner of the NE/4, N/2 NW/4, SE/4 NW/4 and that portion of the SW/4 NW/4 included in the Denver and Rio Grande Railway right-of-way, and that the ownership of the remaining acreage in the SW/4 NW/4 of Section 10, consisting of approximately 37.36 acres, is broken up in townsite lots in the Town of Aztec.

(3) That to locate and secure leases from the owners of the aforementioned townsite lots would be an undue burden and expense on the applicant.

(4) That the N/2 of said Section 10 should be pooled in order to assure each of the owners therein of his fair share of the oil and gas lying thereunder within the limits of the Blanco Mesaverde Gas Pool.

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IT IS THEREFORE ORDERED:

1. That the interests of all persons having the right to drill for, produce, or share in the production of oil, gas, and liquid hydrocarbons, or any of them, in the Blanco Mesaverde Gas Pool underlying the N/2 of Section 10, Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico, be and the same are hereby pooled, and that W. P. Carr be and the same is hereby designated as the operator of said pooled unit until further order of the Commission.

2. That the production from the said unit be allocated to the owners of each tract in the unit in the same proportion that the acreage in each tract bears to the total acreage in the unit.

3. That the cost of drilling and operating the unit well (including a reasonable charge for supervision) shall be borne by the owners of each tract in the unit in the same proportion that the acreage in each tract bears to the total acreage in the unit. Said cost to be payable either:

(a) In cash when billed for the same by the operator, or

(b) Out of production to the extent of 125% of each owner's proportionate share of the cost as calculated in the above prescribed manner.

(c) Each owner shall notify the Commission and the operator of his election within six months of the date of this order. If no election is made within the time prescribed above, the operator shall be charged under the provisions of subparagraph (b) above.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


A. L. PORTER, Jr., Member & Secretary

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