Entied August 23, 1957 4.R.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. 1289 Order No. R-1035

APPLICATION OF SHELL OIL COMPANY FOR THE ESTABLISHMENT OF A 160-ACRE NON-STANDARD GAS PRORATION UNIT IN THE TUBB GAS POOL, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 7, 1957, at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this  $20^{th}$  day of August, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Shell Oil Company, is the owner and operator of an oil and gas lease known as the Livingston Lease, a portion of which consists of the S/2 SW/4, NE/4 SW/4, and the SW/4 SE/4 of Section 3, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the owner and operator of the Livingston No. 2 Well, located 660 feet from the South line and 1980 feet from the East line of said Section 3.

(4) That the applicant proposes to dedicate the abovedescribed acreage to its said Livingston No. 2 Well.

(5) That the establishment of the proposed non-standard gas proration unit will not cause waste nor impair correlative rights.

-2-Case No. 1289 Order No. R-1035

## IT IS THEREFORE ORDERED:

That the application of Shell Oil Company for a 1. 160-acre non-standard gas proration unit in the Tubb Gas Pool, consisting of the S/2 SW/4, NE/4 SW/4, and the SW/4 SE/4 of Section 3, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. Said unit to be dedicated to the applicant's Livingston No. 2 Well located in the SW/4 SE/4 of said Section 3.

2. That the said Livingston No. 2 Well be designated as the unit well and that the same be granted an allowable in the proportion that the above-described acreage bears to the standard proration unit for the Tubb Gas Pool, subject to the provisions of Rule 12 of the Special Rules and Regulations for the Tubb Gas Pool as set forth in Order R-586.

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

L. PORTER, Jr., Member & Secretary

SEAL

ir/