Entred Typlember 35, 1957 G.R.G.

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. 1301 Order No. R-1047

IN THE MATTER OF THE APPLICATION OF TIDEWATER OIL COMPANY FOR A 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 1 o'clock p.m. on August 28, 1957, at Hobbs, 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 $26^{\frac{t}{b}}$ day of September, 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, Tidewater Oil Company, is the owner and operator of an oil and gas lease consisting of the S/2 SE/4 Section 17, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico and that Neville G. Penrose is the owner and operator of an oil and gas lease comprising the SE/4 SW/4 of said Section 17.

(3) That the applicant, Tidewater Oil Company, proposes to communitize the above-described oil and gas leases and to establish the same as 120-acre non-standard gas proration unit in the Tubb Gas Pool, said unit to be dedicated to the Tidewater Oil Company Percy Hardy No. 2 Well located 660 feet from the South line and 1980 feet from the East line of said Section 17.

(4) That approval of the application subject to the communitization of the above-described leases will not cause waste nor impair correlative rights.

-2-Case No. 1301 Order No. R-1047

IT IS THEREFORE ORDERED:

(1) That a non-standard gas proration unit in the Tubb Gas Pool consisting of the S/2 and the SE/4 SW/4 of Section 17, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same is hereby established, said unit to be dedicated to the Tidewater Oil Company Percy Hardy No. 2 Well located in the SW/4 SF/4 of coid Section 17 SW/4 SE/4 of said Section 17.

(2) That the above-described Tidewater Oil Company Percy Hardy No. 2 Well be granted an allowable in the proportion that the acreage in the above-described unit bears to the acreage in a standard gas prororation unit in the Tubb Gas Pool subject to the provisions of Rule 12 of the Special Rules and Regulations for the Tubb Gas Pool; provided however, that no allowable for the production of gas from the Tubb Gas Pool will be granted to the aforementioned well until the Commission has been furnished with proof of a formal communitization of all working interests in the above-described unit.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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EDWIN L. MECHEM, Chairman

USULoga MURRAY E. MORGAN, Member

Leiter PORTER, Jr., Member & Secretary

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