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

> CASE No. 2131 Order No. R-1839 NOMENCLATURE

Entered Nicensis 21,1960 D ORP.

APPLICATION OF ROBINSON BROTHERS OIL PRODUCERS FOR THE CREATION OF A NEW GAS POOL FOR PENNSYLVANIAN PRODUCTION IN CHAVES COUNTY, NEW MEXICO, AND FOR THE PROMULGATION OF SPECIAL RULES AND REGULATIONS FOR SAID POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 30, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 14th day of December, 1960, 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 cause and the subject matter thereof.

(2) That the applicant, Robinson Brothers Oil Producers, seeks an order creating a new gas pool for Pennsylvanian production to be designated as the TV-Pennsylvanian Gas Pool, consisting of the N/2 of Section 22, Township 11 South, Range 31 East, NMPM, Chaves County, New Mexico.

(3) That the establishment of 320-acre gas proration units in the TV-Pennsylvanian Gas Pool on a <u>temporary basis</u> is justified by the evidence presented as to drainage.

(4) That the 320-acre units should comprise any two contiguous quarter sections of a single governmental section.

(5) That no well should be drilled to or recompleted in the TV-Pennsylvanian Gas Pool nearer than 990 feet to a governmental section line nor nearer than 330 feet to a governmental quarter-quarter section line; provided however, that the -2-CASE No. 2131 Order No. R-1839 NOMENCLATURE

Secretary-Director of the Commission should have authority to grant exception to the foregoing well location requirements.

(6) That this case should be heard again by the Commission at the regular monthly hearing in December of 1961 to permit the applicant and all other interested parties to appear and show cause why 320-acre proration units in the TV-Pennsylvanian Gas Pool should be continued in effect.

IT IS THEREFORE ORDERED:

(1) That a new pool in Chaves County, New Mexico, classified as a gas pool for Pennsylvanian production, be and the same is hereby created and designated as the TV-Pennsylvanian Gas Pool, consisting of the following described acreage:

TOWNSHIP 11 SOUTH, RANGE 31 EAST, NMPM Section 22: N/2

(2) That temporary special rules and regulations for the TV-Pennsylvanian Gas Pool in Chaves County, New Mexico, be and the same are hereby promulgated as follows, effective December 31, 1960.

SPECIAL RULES AND REGULATIONS FOR THE TV-PENNSYLVANIAN GAS POOL

<u>RULE 1</u>. Each well completed or recompleted in the Pennsylvanian formation within one mile of the boundary of the TV-Pennsylvanian Gas Pool and not nearer to nor within the boundaries of another designated Pennsylvanian gas pool, shall be drilled, spaced, and produced in accordance with the special rules and regulations hereinafter set forth.

<u>RULE 2. (a)</u>. Each well completed or recompleted in the TV-Pennsylvanian Gas Pool shall be located on a tract consisting of approximately 320 acres comprising any two contiguous quarter sections of a single governmental section, being a legal subdivision (half section) of the United States Public Lands Survey. For purposes of these rules, a unit consisting of between 316 and 324 surface contiguous acres shall be considered a standard unit.

(b) The Secretary-Director shall have authority to grant an exception to Rule 2(a) without notice and hearing where an application has been filed in due form and where the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Lands Survey, or where the following facts exist and the following provisions are complied with:

(1) The non-standard unit consists of

-3-CASE No. 2131 Order No. R-1839 NOMENCLATURE

contiguous quarter-quarter sections or lots.

(2) The non-standard unit lies wholly within a single governmental section.

(3) The entire non-standard unit may reasonably be presumed to be productive of gas from the TV-Pennsylvanian Gas Pool.

(4) That the applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the section in which any part of the non-standard unit is situated and which acreage is not included in said non-standard unit.

(5) In lieu of Paragraph 4 of this Rule, the applicant may furnish proof of the fact that all of the aforesaid operators were notified by registered mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if, after a period of 30 days, no such operator has entered an objection to the formation of such non-standard unit.

<u>RULE 3. (a)</u> Each well completed or recompleted in the TV-Pennsylvanian Gas Pool shall be located no nearer than 990 feet to the outer boundary of the quarter section nor nearer than 330 feet to any governmental quarter-quarter section line.

(b) The Secretary-Director shall have authority to grant exceptions to Rule 3(a) without notice and hearing where an application therefor has been filed in due form and the necessity for the unorthodox location is based on topographical conditions or is occasioned by the recompletion of a well previously drilled to another horizon.

Applicants shall furnish all offset operators and all operators within the section in which the subject well is located a copy of the application to the Commission and shall stipulate to the Commission that proper notice has been furnished to all such operators. The Secretary-Director may approve the application if, after a period of twenty days, no offset operator has entered an objection to the proposed unorthodox location.

IT IS FURTHER ORDERED:

That this case shall be called for hearing before the Commission at its regular monthly hearing in December of 1961, at which time operators in the subject pool shall appear and show cause why the TV-Pennsylvanian Gas Pool should not be developed on 160-acre proration units. -4-CASE NO. 2131 Order No. R-1839 NOMENCLATURE

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

ish. ~ Thur JOHN BURROUGHS, Chairman and anga-

MURRAY E. MORGAN, Member

activ

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

SEAL

esr/