Entered August 7, 1962 W.S.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 NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 2474 Order No. R-2167-A

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR A SIX-MONTH EXTENSION OF THE EFFECTIVENESS OF ORDER NO. R-2167, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 11, 1962, 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 <u>17th</u> day of July, 1962, 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 by Order No. R-2167, entered in Case No. 2474 on January 17, 1962, a 163-acre non-standard gas proration unit in the Basin-Dakota Gas Pool was established consisting of the N/2 NE/4, 68 acres in the S/2 NE/4, and 15 acres in the E/2 NE/4 SE/4, all in Section 14, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico.

(3) That said non-standard gas proration unit is dedicated to the Roberts Well No. 1, located 1190 feet from the North line and 820 feet from the East line of said Section 14, which well has been completed in the Basin-Dakota Gas Pool but to date has not been connected to a gas gathering facility.

(4) That during the period that Order No. R-2167 has been in effect, Pan American Petroleum Corporation has endeavored to obtain the agreement of all mineral interests in the E/2 of said Section 14 to the formation of a standard 320-acre gas proration unit; that all working interests in the E/2 of said Section 14 have agreed to form a 320-acre unit with the exception of -2-CASE No. 2474 Order No. R-2167-A

J. J. Redfern, Jr., and associates who are the owners of interest in a portion of the SW/4 SE/4 of said Section 14.

(5) That the applicant, Pan American Petroleum Corporation, seeks a six-month extension of the effectiveness of Order No. R-2167 continuing in effect the 163-acre non-standard gas proration unit established by that order.

(6) That in order to protect the correlative rights of all mineral interest owners in the E/2 of said Section 14, a threemonth extension of Order No. R-2167 should be granted, during which time all reasonable efforts should be made to form a standard 320-acre unit either on a voluntary basis or by means of compulsory pooling.

IT IS THEREFORE ORDERED:

(1) That the 163-acre non-standard gas proration unit established by Order No. R-2167, entered in Case No. 2474 on January 17, 1962, is hereby continued in effect for a period of three months in addition to the six-month period authorized by said order and shall terminate <u>ipso facto</u> on October 17, 1962.

(2) That prior to October 17, 1962, all reasonable efforts shall be made to form a standard 320-acre unit comprising the E/2 of said Section 14 either on a voluntary basis or by means of compulsory pooling.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

Charles Calles Com

E. S. WALKER, Member

a. h. Carter, J.

L. PORTER, Jr., Member & Secretary

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