Entered July 17, 1969 a C.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:

> CASES NOS. 4017 AND 4043 Order No. R-3713-A

#### CONSOLIDATED CASES:

APPLICATION OF CORINNE GRACE FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO;

APPLICATION OF DAVID FASKEN FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing <u>de novo</u> at 9 a.m. on July 16, 1969, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>17th</u> day of July, 1969, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 for the hearings <u>de novo</u> in Cases Nos. 4017 and 4043, David Fasken, has requested that said applications be <u>dismissed</u>.

(3) That the applicant's request to dismiss the applications for hearings <u>de novo</u> should be granted.

(4) That within 20 days from the date of this order, any non-consenting working interest owner in the pooled unit comprising all of Section 8, Township 21 South, Range 24 East, NMPM, North Indian Hills-Morrow Gas Pool, now the Indian Basin-Morrow -2-CASES NOS. 4017 AND 4043 Order No. R-3713-A

Gas Pool, Eddy County, New Mexico, should have the right to pay his share of estimated well costs to the operator of said unit in lieu of paying his share of reasonable well costs out of production, and that any such owner who pays his share of estimated well costs as provided above shall remain liable for operating costs but shall not be liable for risk charges.

(5) That in all other respects Order No. R-3713, issued by the Commission on March 25, 1969, should be fully approved, ratified, and confirmed.

# IT IS THEREFORE ORDERED:

(1) That the applications of David Fasken for hearings <u>de novo</u> in Cases Nos. 4017 and 4043 are hereby <u>dismissed</u>.

(2) That within 20 days from the date of this order, any non-consenting working interest owner in the pooled unit comprising all of Section 8, Township 21 South, Range 24 East, NMPM, North Indian Hills-Morrow Gas Pool, now the Indian Basin-Morrow Gas Pool, Eddy County, New Mexico, shall have the right to pay his share of estimated well costs to the operator of said unit in lieu of paying his share of reasonable well costs out of production, and that any such owner who pays his share of estimated well costs as provided above shall remain liable for operating costs but shall not be liable for risk charges.

(3) That subject to Order (2) above, Order No. R-3713, issued by the Commission on March 25, 1969, is hereby fully approved, ratified, and confirmed.

(4) 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

ĺ DAVID F. CARGO, Chairman 0, Member Take

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

SEAL

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