Enter april 28, 1969 all.

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. 4108 Order No. R-3742

APPLICATION OF HUMBLE OIL & REFINING COMPANY FOR THE REDEDICATION OF ACREAGE, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 23, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>28th</u> day of April, 1969, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Humble Oil & Refining Company, is the operator of the New Mexico "V" State Wells Nos. 5 and 11, located, respectively, in Units M and K of Section 10, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That a non-standard gas proration unit in the Tubb Gas Pool comprising the N/2 SW/4 and the SW/4 SW/4 of said Section 10 is presently dedicated to said Well No. 11, a marginal well.

(4) That said Well No. 5 has been recently recompleted as a Tubb gas producer and is presently shut-in.

(5) That the SE/4 SW/4 of said Section 10 was formerly dedicated to a well producing from the Tubb Oil Pool, but said well has been abandoned in the Tubb zone.

-2-CASE No. 4108 Order No. R-3742

(6) That the applicant seeks to form a standard 160-acre gas proration unit in the Tubb Gas Pool comprising the SW/4 of said Section 10, said unit to be simultaneously dedicated to its aforesaid New Mexico "V" State Wells Nos. 5 and 11.

(7) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.

(8) That the proposed standard gas proration unit can be efficiently and economically drained and developed by said Wells Nos. 5 and 11.

(9) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Tubb Gas Pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That, effective May 1, 1969, a 160-acre standard gas proration unit in the Tubb Gas Pool comprising the SW/4 of Section 10, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Humble Oil & Refining Company "V" State Wells Nos. 5 and 11, located, respectively, in Units M and K of said Section 10.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 160 acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(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 CARGO, Chairman DAVIDF ALA

. L. PORTER, Jr., Member & Secretary

SEAL

esr/