Entered May 21, 1974 C.F.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. 5225 Order No. R-4780

APPLICATION OF FLUID POWER PUMP COMPANY, PETRO-LEWIS CORPORATION, AND PARTNERSHIP PROPERTIES COMPANY FOR COMPULSORY POOLING, SANDOVAL COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 25, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>21st</u> day of May, 1974, 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 applicants, Fluid Power Pump Company, Petro-Lewis Corporation and Partnership Properties Company, seek an order pooling all mineral interests in the Entrada formation underlying a standard 160-acre proration unit consisting of the NW/4 of Section 22, Township 19 North, Range 3 West, NMPM, Media-Entrada Oil Pool, Sandoval County, New Mexico.

(3) That said NW/4 of Section 22 is to be dedicated to applicants' Fluid Power Pump Company No. 5 Well, a producing oil well located in Unit C of said Section 22.

(4) That there are overriding royalty interest owners in said unit who have not agreed to pool their interests.

(5) That to avoid the drilling of unnecessary wells, to protect correlative rights, and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the oil in said pool, the subject application should be approved by pooling all mineral interests, whatever they may be, within said unit. -2-CASE NO. 5225 Order No. R-4780

(6) That Petro-Lewis Corporation should be designated the operator of the subject well and unit.

(7) That all proceeds from production from the subject well which are not and have not been disbursed for any reason should be placed in escrow to be paid to the true owner thereof upon demand and proof of ownership.

IT IS THEREFORE ORDERED:

(1) That all mineral interests, whatever they may be, in the Entrada formation underlying the standard 160-acre proration unit consisting of the NW/4 of Section 22, Township 19 North, Range 3 West, NMPM, Media-Entrada Oil Pool, Sandoval County, New Mexico, are hereby pooled and dedicated to applicants' Fluid Power Pump Company No. 5 Well, located in Unit C of said Section 22.

(2) That Petro-Lewis Corporation is hereby designated the operator of the subject well and unit.

(3) That all proceeds from production from the subject well which are not and have not been disbursed for any reason shall be placed in escrow in Sandoval County, New Mexico to be paid to the true owner thereof upon demand and proof of ownership; that the operator shall notify the Commission of the name and address of said escrow agent within 90 days from the date of this order.

(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

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I./R. TRUJILLO, Chairman

AEX J. ARMIJO, Member kitu PORTER, JR., Member & Secretary

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