BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 929 Order No. R-677

THE APPLICATION OF R. OLSEN OIL COMPANY FOR AN ORDER GRANTING APPROVAL OF AN EXCEPTION PURSUANT TO RULE 5 (a) OF THE SPECIAL RULES AND REGULATIONS FOR THE TUBB GAS POOL OF ORDER NO. R-586 IN ESTABLISHMENT OF A NON-STANDARD GAS PRORATION UNIT OF 160 CONTIGUOUS ACRES CONSISTING OF THE SE/4 NW/4, E/2 SW/4, SW/4 SW/4 OF SECTION 25, TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 14, 1955, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this $17^{\frac{d}{d}}$ day of August, 1955, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 5 (a) of the Special Rules and Regulations of the Tubb Gas Pool of Order No. R-586, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

(3) That applicant, R. Olsen Oil Company, is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM SE/4 NW/4, E/2 SW/4, SW/4 SW/4, of Section 25

containing 160 acres, more or less.

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(4) That applicant intends to drill a well to the Tubb Gas Pool; said well to be situated in the center of the SE/4 NW/4 of Section 25, Town-ship 22 South, Range 37 East.

(5) That all of the proposed gas proration unit lies wholly within a single governmental section, and the entire proposed unit may reasonably be presumed to be productive of gas from the Tubb Gas Pool.

(6) The proposed gas unit consists of contiguous quarter-quarter sections.

(7) That there were no protests to said application.

(8) That the creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of the R. Olsen Oil Company for approval of a non-standard proration unit, consisting of the following described acreage:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM SE/4 NW/4, E/2 SW/4, SW/4 SW/4 of Section 25

be and the same is hereby approved and a proration unit consisting of the aforesaid acreage is hereby created.

(2) Upon completion of the applicant's well in the Tubb Gas Pool, said well to be located in the center of the SE/4 NW/4 of Section 25, should said well be productive, the well shall be granted the allowable of the standard proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO

John 7 Summe JOHN F. SIMMS, Chairman E. S. WALKER, Member

W. B. MACEY, Member and Secretary

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