EXCERPTS FROM MINUTES OF THE MEETING OF THE OIL CONSERVATION COMMISSION HELD ON TUESDAY, DECEMBER 31, 1940

\* \* \* \* \*

In the matter of the proposed change in the proration plan for Hobbs Field, Lea County, provided by Order No. 48, upon which hearings have heretofore been had by the Commission and the determination thereof taken under advisement by the Commission,

NOW, on this day, in regular meeting of the Commission, after full consideration of the evidence submitted on such hearings heretofore held before the Commission, consideration of the evidence taken thereat, and examination of the maps produced before the Commission, the Commission determines that said Order No. 48 be modified and amended as follows:

WHEREAS, the proration plan for the Hobbs Field has heretofore been based upon a basis of sixty (60) per cent acreage and forty (40) per cent of the potential production of the wells, it is determined by the Commission that said proration be changed and modified, and for such purpose the Commission does hereby resolve that Section 9 of the said Order No. 48 heretofore in force by this Commission and having been adopted November 12, 1936, be amended to read as follows:

"Section 9 (a). The total daily non-marginal field allowable shall be allocated among the various units on the following basis: Eighty (80) per cent of the non-marginal allowable shall be allocated to units without reference to their producing ability; all 40-acre units participating equally and each fractional unit receiving an allocation, as compared to the allocation of a 40-acre unit, in the ratio that its area in acres bears to 40 acres. This allocation to each unit shall be designated as the acreage unit allowable.

"Section 9 (b). That the balance of twenty (20) per cent allocated to such units as provided in Section 9 (a) shall be based upon twenty (20) per cent of the bottom hole pressure (B.H.P.) of each and every well participating in such proration."

This order shall be designated as Hobbs Order No. 329, and the above modification and change of proration shall become effective and be in force as of February 1, 1941; and as to all other matters in said Order No. 48 not affected by this change in proration, the same are continued in full force and effect until the further determination of the Commission.

The matter of modification of Case No. 2, Order No. 33, involving a change of proration plan for the Monument Field, Lea County, having heretofore been submitted to the Commission and after the submission of evidence, maps, and other data, and the determination of said provation having been taken under advise-

ment by the Commission; IT IS NOW ORDERED that any change or modification in said Order No. 33, Case No. 2, heretofore in effect as to proration in the Minument Field, Lea County, be not made, and the proration plan for Monument Field as now in effect is hereby ordered to continue until further order of the Commission. This order shall be designated as Monument Order No. 330. \* \* \* \* OIL CONSERVATION COMMISSION

- By (Sgd.) JOHN E. MILES, Governor Chairman
- (Sgd.) FRANK WORDEN By Commissioner of Public Lands, Secretary
  - (Sgd.) A. ANDREAS, State Geologist. By

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By (Sgd.) A. ANDREAS, State Geologist

January 2, 1941

NOTE: Copies have been mailed and delivered to the following: Hon. Russell G. Lowe, Gulf Oil Corp., 20 Pr Tulsa, Oklanoma; Hon. W. M. Fleetwood, Jr., Barnsdall Oil Co., Tulsa, Oklahoma; Hon. J. S. Noland, Barnsdall Oil Co., Tulsa, Oklahoma; Hon. J. D. Atwood, Roswell, New Mexico; Hon. Glenn Staley, Proration Umpire, Hobbs, New Mexico; Hon. J. O. Seth, Santa Fe, New Mexico.

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