

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. 542
ORDER No. R-344

THE APPLICATION OF W. P. CARR FOR
APPROVAL OF TWO UNORTHODOX DRILLING
UNITS FOR PICTURED CLIFFS GAS WELLS
IN THE NW/4, SECTION 10, AND NE/4, SECTION
9, IN TOWNSHIP 30 NORTH, RANGE 11 WEST,
NMPM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. June 16, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this *13th* day of July, 1953, the Commission having considered the testimony adduced and exhibits offered 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 Applicant is the owner of oil and gas leases covering lands located in Township 30 North, Range 11 West, NMPM, as follows:

NW/4 Section 10- 149 acres more or less
NE/4 Section 9- 93 acres more or less

as more particularly set out and described in exhibits offered at said hearing.
3. That Applicant has made diligent effort to obtain leases upon additional lands in said quarter sections.
4. That additional leases cannot be obtained, or the title to lands involved therein cannot be cleared within a reasonable time.
5. That under the provisions of Commission Rule No. 104 (d), it is provided that all wells drilled within a defined gas pool shall be located on a tract consisting of not less than a quarter section consisting of approximately 160 surface contiguous acres substantially in the form of a square which shall be a legal subdivision (quarter section) of the U. S. Public Land Surveys.
6. That parts of the NW/4 Section 10, and the NE/4 Section 9, Township 30 North, Range 11 West, NMPM, lie within the corporate limits of the town of Aztec, New Mexico.

7. That lands within the corporate limits of the town of Aztec, New Mexico, and other lands in the two quarter sections have been subdivided into numerous small tracts and lots, and that it is impractical to secure leases on such tracts and lots or to determine the ownership thereof for the

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purpose of pooling said tracts and lots.

8. That unless an exception is granted to the provisions of Rule No. 104 (d) Applicant will be denied his opportunity to produce his just and equitable share of the oil or gas or both in the Aztec Pictured Cliffs Pool.

9. That approval of these unorthodox drilling units is in the interest of conservation, will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

1. That the application of W. P. Carr for approval of unorthodox drilling units in the NW/4 of Section 10, and the NE/4 of Section 9, both in Township 30 North, Range 11 West, NMPM, be, and the same hereby are approved.

PROVIDED, HOWEVER, That should proration be instituted, then and in that event production allowable shall be in the proportion that the respective acreages herein bear to a standard proration unit.

IT IS FURTHER ORDERED:

1. That Applicant herein may commit to the drilling units approved herein any additional acreage within the quarter sections involved herein upon which he may obtain leases, by notifying the Secretary (and Director) of the Commission that such leases have been obtained, and providing a description thereof, which description shall include the total number of acres covered by such leases.

2. That Applicant herein file with the Commission as soon as practical, a description of all leases and assignment of leases held by him, or lands involved herein, or pooled with the lands involved herein.

3. That the owner or holder of the mineral rights to any acreage not committed to said drilling units, but lying within the outer boundaries of said quarter sections, may, at his election, commit such acreage to said drilling units and obtain his equitable, proportionate share in the production from any well or wells drilled thereon, upon such terms as are just and reasonable.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


R. R. SPURRIER, Secretary