

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. 698
Order No. R-476

THE APPLICATION OF STANOLIND OIL
AND GAS COMPANY FOR AN ORDER
GRANTING APPROVAL OF AN EXCEPTION
PURSUANT TO RULE 7 (a) OF ORDER NO.
R-372-A IN ESTABLISHMENT OF AN
UNORTHODOX GAS PRORATION UNIT OF
160 CONTIGUOUS ACRES CONSISTING OF
EAST HALF SOUTHEAST QUARTER,
SOUTHWEST QUARTER SOUTHEAST QUARTER,
AND SOUTHEAST QUARTER OF SOUTHWEST QUARTER
OF SECTION 4, TOWNSHIP 21 SOUTH, RANGE 37 EAST,
NMPM, LEA COUNTY, NEW MEXICO, IN THE BLINEBRY
GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on May 19, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 27th day of May, 1954, 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 7 (a) of Order No. R-372-A 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, Stanolind Oil and Gas 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 21 SOUTH, RANGE 37 EAST, NMPM
E/2 SE/4, SW/4 SE/4 and SE/4 SW/4 of Section 4.

containing 160 acres, more or less.

(4) That applicant, Stanolind Oil and Gas Company, has a producing well on the aforesaid lease known as Southland Royalty "A" No. 5, located 1980' from the South line and 660' from the East line of Section 4, Township 21 South, Range 37 East, NMPM.

Order No. R-476

(5) That the aforesaid well is located within the limits of the pool heretofore delineated and designated as the Blinebry Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Southeast Quarter and Southwest Quarter of Section 4, Township 21 South, Range 37 East, NMPM, and that the owners of adjoining acreage in said quarter sections have not objected to the formation of the proposed proration unit of 160 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Blinebry Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, will protect correlative rights, and is necessary to prevent confiscation of applicant's property.

IT IS THEREFORE ORDERED:

(1) That the application of Stanolind Oil and Gas Company for approval of an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
E/2 SE/4, SW/4 SE/4 and SE/4 SW/4 of Section 4.

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

(2) That applicant's well, Southland Royalty "A" No. 5, located in the NE/4 SE/4 of Section 4, Township 21 South, Range 37 East, NMPM, shall be granted an allowable in the proportion that the above described 160 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



R. R. SPURR, Secretary and Member