

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
MURRAY E. MORGAN
MEMBER



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY DIRECTOR

P. O. BOX 871
SANTA FE

January 10, 1961

Mr. Kirk Newman
Atwood & Malone
Box 867
Roswell, New Mexico

Re: Case No. 2148
Order No. R-1850

Applicant:

Pan American Petroleum Corp.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC

Other Mr. Guy Buell

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. 2148
Order No. R-1850

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR AN ORDER FORCE-POOLING
ALL MINERAL INTERESTS IN A 320-ACRE GAS
PRORATION UNIT IN THE ATOKA-PENNSYLVANIAN
GAS POOL, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 4, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 10th day of January, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 applicant, Pan American Petroleum Corporation, seeks an order force-pooling all mineral interests in the Atoka-Pennsylvanian Gas Pool in a 320-acre standard gas proration unit consisting of the N/2 of Section 22, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.
- (3) That the applicant has attempted to secure the consent of all mineral interest owners in order to form the above-described gas proration unit.
- (4) That all of the working interest owners in the proposed gas proration unit are willing to agree to its formation but are prevented from doing so due to certain restrictive conditions in their leases with non-consenting royalty owners.
- (5) That inasmuch as the applicant, after diligent effort, has been unable to secure the consent of all interested parties to the formation of the above-described 320-acre gas proration unit, all mineral interests therein should be force-pooled.

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CASE No. 2148
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(6) That denial of the subject application would deprive, or tend to deprive, the owners of some of the tracts in the proposed gas proration unit of the opportunity to recover their just and equitable share of the crude petroleum oil or natural gas, or both, in the Atoka-Pennsylvanian Gas Pool.

IT IS THEREFORE ORDERED:

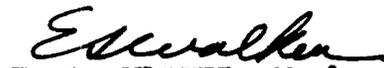
That the interests of all persons having the right to drill for, produce, or share in the production of all hydrocarbons from the Atoka-Pennsylvanian Gas Pool underlying the N/2 of Section 22, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, be and the same are hereby force-pooled to form a 320-acre gas proration unit comprising all of said acreage.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



A. L. PORTER, Jr., Member & Secretary