

REPORT OF THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

RECEIVED

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

APR 19 1974

O. C. C.
ARTESIA, OFFICE

CASE NO. 5211
Order No. R-4768

APPLICATION OF CITIES SERVICE
OIL COMPANY FOR COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 10, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of April, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Cities Service Oil Company, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 8, Township 22 South, Range 27 East, NMPM, South Carlsbad Field, Eddy County, New Mexico.
- (3) That the applicant has drilled a well at a standard location for said unit.
- (4) That there are interest owners in the proposed proration unit who have not agreed to pool their interests.
- (5) That to avoid the drilling of unnecessary wells, to protect correlative rights, and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the gas in said pool, the subject application should be approved by pooling all mineral interests, whatever they may be, within said unit.
- (6) That the applicant should be designated the operator of the subject well and unit.
- (7) That any non-consenting working interest owner that has not paid his share of reasonable well costs should have withheld from production his share of the reasonable well costs.