

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. 818
Order No. R-583

THE APPLICATION OF FAMARISS
PETROLEUM CORPORATION FOR
AN ORDER CALLING FOR THE
COMPULSORY COMMUNITIZATION
OF LOTS 2, 7, AND 10 OF SECTION
4, TOWNSHIP 21 SOUTH, RANGE 37
EAST, NMPM, LEA COUNTY, NEW
MEXICO, FOR THE FORMATION OF
A 120-ACRE COMMUNITIZED UNIT
FOR PRODUCTION FROM THE BLINEBRY
FORMATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 13, 1955, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 9th day of February, 1955, the Commission, a quorum being present, having considered the records and testimony adduced, 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 hereof.
- (2) That applicant, Famariss Petroleum Corporation, Morris R. Antweil and Jennings Drilling Company, are the owners of the entire working interest under oil and gas leases covering Lots 2, 7 and 10 in Section 4, Township 21 South, Range 37 East, Lea County, New Mexico, containing 120 acres of land, more or less.
- (3) That the Famariss Petroleum Corporation's Hill No. 1 is a gas well producing from the Blinebry zone and is located on Lot 10 in Section 4, Township 21 South, Range 37 East, the exact location of the well being 1730 feet from the east line and 3300 feet from the north line of said section. That the well location is an unorthodox location occasioned by topographical conditions and a pipeline right-of-way which prevented the drilling of the well on an orthodox location. That the Oil Conservation Commission granted its permission to drill the well at said location prior to the commencement thereof.

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(4) That the Rules of the Commission established in the Blinebry Gas Pool a uniform size for a standard proration unit of 160 contiguous acres substantially in the form of a square, being a legal quarter section, and provided further that a non-standard proration unit of different size and shape may be approved and formed after notice and hearing.

(5) That all of Lots 2, 7 and 10 in Section 4, Township 21 South, Range 37 East, are capable of producing gas from the Blinebry formation.

(6) That all of the owners of the working interest, together with all of the royalty owners, have consented to the communitization of the above-described property with the exception of the following named royalty owners owning royalty under Lots 2 and 7 in Section 4, Township 21 South, Range 37 East, to-wit:

M. F. Taylor, Box 573, Amarillo, Texas - 1/4 of 1/8 of 8/8 ths;
R. B. Glenn, 1220 Milam, Amarillo, Texas - 1/4 of 1/8 of 8/8 ths;
L. H. Puckett, 2700 B. Westhaven Circle, Amarillo, Tex.-1/8 of 1/8 of 8/8ths;

(7) That unless the application is granted, applicant will be deprived of its opportunity to recover its just and equitable share of the natural gas from the Blinebry Gas Pool.

(8) No person or persons affected by the compulsory communitization who have refused to pool their interests voluntarily, nor any representative of the same, did appear at this hearing.

IT IS THEREFORE ORDERED:

(1) That the application of Famariss Petroleum Corporation for compulsory communitization of Lots 2, 7 and 10 of Section 4, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico be, and the same hereby is approved, and the same is hereby recognized as a communitized or pooled tract at all times hereafter, and that such pooling or communitization be and it is in all things confirmed.

(2) That the operator of the unit area, Famariss Petroleum Corporation, shall furnish this Commission with an executed copy of the unit operating agreement, together with any other pertinent data which the Commission may, from time to time, deem necessary in order to determine that each owner of oil and gas leasehold interests or mineral rights receives his just and equitable share of the proceeds received from the sale of the natural gas and its allied products.

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

State of New Mexico
Oil Conservation Commission

John F. Simms
John F. Simms, Chairman

E. S. Walker
E. S. Walker, Member

W. B. Macey
W. B. Macey, Member and Secretary

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