

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. 357
ORDER NO. R-159

THE APPLICATION OF SOUTHERN
PRODUCTION COMPANY FOR AN ORDER
UNITIZING FOR PRORATION PURPOSES
LOTS 1 AND 2 WITH THE N/2 OF THE
SE/4 OF SECTION 2, TWP. 11 S, RGE. 37E,
NMPM, LEA COUNTY, NEW MEXICO, IN
THE ECHOL (DEVONIAN) POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 15, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this th29 day of May, 1952, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received 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 the NE/4 of Section 2, Twp. 11 S, Rge. 37 E, NMPM, Lea County, New Mexico, is composed of Lots 1 and 2, Lot 1 containing 18.42 acres and Lot 2 containing 18.48 acres.

(3) That the lots in question are near the defined limits of the Echol (Devonian) Pool.

(4) That wells drilled on the lots in question would be entitled to only approximately 18/40 of the allowable assigned to a full 40-acre unit.

(5) That Southern Production Company holds by production State Oil and Gas Lease No. E-1516 covering, with other lands, Lots 1 and 2 and the N/2 SE/4 of Section 2, Twp. 11 S, Range 37 E, NMPM, Lea County, New Mexico; that by communitizing Lot 1 with the NE/4 SE/4 and Lot 2 with the NW/4 SE/4, two units approximating square quarter-quarter sections of 58.42 acres and 58.48 acres, respectively, could be had; that by such communitization, waste could be prevented and correlative rights could be protected.

(6) That Lot 1 in Section 2, Twp. 11 S, Range 37 E, NMPM, Lea County, New Mexico, because of its small size should be unitized for the production and proration of oil with the normal drilling unit to the south, being the NE/4 SE/4 Section 2, Twp. 11 S, Rge. 37 E, NMPM.

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(7) That Lot 2, Section 2, Twp. 11 S, Rge. 37 E, NMPM, Lea County, New Mexico, because of its small size should be unitized for the production and proration of oil with the normal drilling unit to the south, being the NW/4 SE/4 Section 2, Twp. 11 S, Rge. 37 E, NMPM.

IT IS THEREFORE ORDERED:

(1) That Lot 1 and the NE/4 SE/4 (comprising one unit of 58.42 acres), and Lot 2 and the NW/4 SE/4 (comprising one unit of 58.48 acres), Section 2, Twp. 11 South, Range 37 East, NMPM, be and the same hereby are respectively communitized for development and production of oil and gas,

PROVIDED, HOWEVER:

(a) That upon production being had upon either or both communitized tracts, the same shall be given an allowable of 58/40 of the current top allowable assigned.

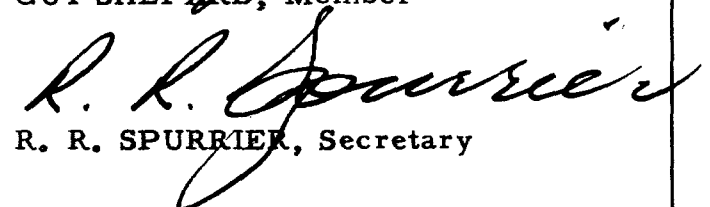
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman


GUY SHEPARD, Member


R. R. SPURRIER, Secretary

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