

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. 373  
ORDER NO. R-169

THE APPLICATION OF THE OIL  
CONSERVATION COMMISSION OF  
NEW MEXICO UPON ITS OWN MOTION  
FOR AN ORDER EXTENDING RULE 104  
OF THE COMMISSION'S RULES AND  
REGULATIONS, THE EXTENSION RELATING  
TO THE POOLING OF FRACTIONAL LOTS OF  
20.49 ACRES OR LESS WITH ANOTHER OIL  
PRORATION UNIT.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing on May 20, 1952, at 9:00 a.m.  
at Santa Fe, New Mexico, before the Oil Conservation Commission of New  
Mexico, hereinafter referred to as the "Commission."

NOW, on the 19<sup>th</sup> day of June, 1952, the Commission, a  
quorum being present, having considered the testimony adduced at the  
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 there is need for an extension of Rule 104 of the  
Commission's Rules and Regulations to allow the Commission to approve  
the pooling of fractional lots of 20.49 acres or less with another proration  
unit without notice and hearing, provided certain requirements are met.

IT IS THEREFORE ORDERED:

That Rule 104 of the Commission's Rules and Regulations be and  
the same hereby is extended as follows:

RULE 104. (m) The Commission may approve the pooling  
for communitization of fractional lots of 20.49 acres or less with another  
oil proration unit when:

1. The units involved are contiguous;
2. Part of the same basic lease, carrying the same royalty  
interest; and
3. The ownership of the units involved is common.

Application to the Commission for pooling shall be accompanied by three (3) copies of a certified plat showing the dimensions and acreage involved in the pooling, the ownership of all leases and royalty interests involved, and the location of any proposed wells.

Applicants shall furnish all operators who directly offset the units involved with a copy of the application to the Commission, and applicant shall include with his application a written stipulation that all offset operators have been properly notified. In this instance, offset operators shall include only those operators who have offset properties within the state of New Mexico. The Commission shall wait at least ten (10) days before approving any such pooling, and shall approve such pooling only in the absence of objection from any offset operator. In the event that an operator objects to the pooling, the Commission shall consider the matter only after proper notice and hearing.

The Commission may waive the ten-day waiting period requirement if the applicant furnishes the Commission with the written consent to the pooling by all offset operators involved.

The Commission may consider that the requirements of subparagraphs 2 and 3 of Paragraph (m) of this rule have been fulfilled if the applicant furnishes with each copy of each application to the Commission a copy of an executed pooling agreement communitizing the units involved.

Each well drilled on any communitized tract shall be located in the approximate geographical center of the combined units with a tolerance of 150 feet for topographical conditions, but in any event shall not be located closer than 330 feet to the outer boundaries of the proposed proration unit or communitized tract.

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

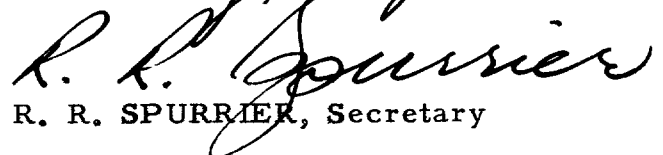
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



GUY SHEPARD, Member



R. R. SPURRIER, Secretary