

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 474
ORDER No. R-281

THE APPLICATION OF GULF OIL
CORPORATION TO UNITIZE FOR
PRORATION AND PRODUCTION AND
OPERATION PURPOSES LOTS 3 AND 4,
SECTION 28, WITH THE NE/4 SW/4 AND
SE/4 SW/4 OF THE SAME SECTION IN
TOWNSHIP 24 SOUTH, RANGE 38 EAST,
NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at Santa Fe, New Mexico, at 9 o'clock a.m., February 17, 1953, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this *27th* day of February, 1953, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearing, and being otherwise fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the SE/4 of Section 28, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico, is composed of Lots 3 and 4, Lot 3 containing 7.22 acres and Lot 4 containing 7.20 acres.

(3) That the lots in question are near the defined limits of the West Dollarhide Pool.

(4) That wells drilled on the lots in question would be entitled to only approximately 7/40 of the allowable assigned to a full 40-acre unit.

(5) That Gulf Oil Corporation holds State Oil and Gas Lease No. 2016 covering, with other lands, the NE/4 SW/4 and SE/4 SW/4 of Section 28 abutting said Lots 3 and 4 respectively, in said section; that by communitizing Lot 3 with the NE/4 SW/4 and Lot 4 with the SE/4 SW/4 two units approximating square quarter-quarter sections of 47.22 acres and 47.20 acres respectively, could be had; that by communitization waste could be prevented and correlative rights protected.

(6) That Lot 3 Section 28, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico, because of its small size should be communitized for the purposes of production and proration of oil with the normal drilling unit to the west, being the NE/4 SW/4 Section 28, Township 24 South, Range 38 East, NMPM.

(7) That Lot 4 Section 28, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico, because of its small size should be unitized for the purpose of production and proration of oil with the normal drilling unit to the west, being the SE/4 SW/4 Section 28, Township 24 South, Range 38 East, NMPM.

IT IS THEREFORE ORDERED:

(1) That Lot 3 and NE/4 SW/4 (comprising one unit of 47.22 acres) and Lot 4 and the SE/4 SW/4 (comprising one unit of 47.20 acres) Section 28, Township 24 South, Range 38 East, be, and the same hereby are respectively communitized for development and production of oil and gas, provided, however:

(a) That such communitization shall not become effective until and unless the applicant herein, or his successors in ownership, shall have filed in this office an agreement duly executed by himself and/or successors and the Gulf Oil Corporation, duly approved in writing by the Director of the U. S. Geological Survey and the Commissioner of Public Lands of the State of New Mexico.

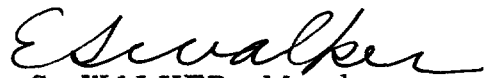
(b) That upon production being had upon either or both communitized tracts, the same shall be given allowable of 47/40 of the current top allowable assigned.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



R. R. SPURRIER, Secretary

S E A L