

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 CON-
SIDERING:

CASE NO. 782
Order No. R-545

THE APPLICATION OF THE OHIO OIL
COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT
TO RULE 7 (a) OF ORDER NO. R-373-A IN
ESTABLISHMENT OF AN UNORTHODOX GAS
PRORATION UNIT OF 320 CONTIGUOUS ACRES
CONSISTING OF N/2 OF SECTION 11, TOWN-
SHIP 22 SOUTH, RANGE 37 EAST, NMPM.,
LEA COUNTY, NEW MEXICO, IN THE TUBB
GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m., on
October 20, 1954, at Hobbs, New Mexico, before the Oil Conservation
Commission, hereinafter referred to as the "Commission".

NOW, on this ²⁶ day of November, 1954, the Commission,
a quorum being present, having considered the records and testimony
adduced, and being fully advised in the premises;

FINDS:

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

(2) That pursuant to provisions of Rule 7 (a) of Order No.
R-373-A, the Commission has power and authority to permit the formation
of a gas proration unit consisting of other than a legal quarter section after
notice and hearing by the Commission.

(3) That applicant, The Ohio Oil Company, is the owner of
an oil and gas lease in Lea County, New Mexico the land consisting of
other than a legal quarter section, and described as follows, to-wit:

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N/2 of Section 11

containing 320 acres, more or less.

(4) That applicant, The Ohio Oil Company has a producing
well on the aforesaid lease known as Ohio Lou Worthan Well No. 9, located
1905' from the North line and 440' from the West line of Section 11, Town-
ship 22 South, Range 37 East.

(5) That the aforesaid well is located within the limits of the pool heretofore delineated and designated as the Tubb Gas Pool.

(6) That the aforesaid well was completed and in production as an oil well producing from the Drinkard Oil Pool prior to January 1, 1954, the effective date of Order No. R-373-A; that thereafter the applicant plugged back out of the Drinkard Oil Pool, having been authorized by Commission Order DC-60-A, dated June 1, 1954, to dually complete the said well so as to produce gas from both the Blinebry and Tubb Gas Pools; that applicant has been producing from both the Blinebry and Tubb Gas Pools since on or about June 28, 1954.

(7) That it is impracticable to pool applicant's said lease with adjoining acreage in the said Section 11, and that the owners of adjoining acreage in said quarter sections have not objected to the formation of the proposed proration unit of 320 acres, consented thereto.

(8) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Tubb Gas Pool.

(9) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of The Ohio Oil Company for approval of an unorthodox proration unit consisting of the following described acreage

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is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, Ohio Lou Worthan No. 9, located in the SW/4 NW/4 of Section 11, Township 22 South, Range 37 East, NMPM, shall be granted an allowable from June 28, 1954 in the proportion that the above described 320 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


W. B. MACEY, Secretary and Member

