DEFORE 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. 1265 Order No. R-1025

APPLICATION OF R. OLSEN OIL COMPANY FOR AN ORDER FORCE POOLING THE INTERESTS OF ALL PERSONS WITHIN THE VERTICAL LIMITS OF THE JUSTIS GAS POOL UNDERLYING THE NE/4 OF SECTION 23, TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 13, 1957, and on July 17, 1957, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 7th day of August, 1957, the Commission, a quorum being present, having considered the application, and the evidence 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 case and the subject matter thereof.
- (2) That the applicant is the operator and owner of an interest in the Justis Gas Pool, underlying the NE/4 of Section 23, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant is the co-owner and operator of the R. Olsen Oil Company Wimberly No. 1 Well, located 1980 feet from the North line and 660 feet from the East line of said Section 23, which well is completed within the vertical limits of the Justis Gas Pool.
- (4) That 160-acre gas drilling and proration units have been established for the Justis Gas Pool by Order R-586, dated April 11, 1955.
- (5) That all owners and royalty interests including the United States of America have entered into a communitization agreement covering the gas rights within the Justis Gas Pool underlying the NE/4 of said Section 23 with the exception of one Sam D. Wimberly, who owns a .015625 royalty interest in the N/2 NE/4 and SE/4 NE/4 of said Section 23.
- (6) That since November 17, 1955, the applicant has, on many occasions, undertaken to establish contact with the said Sam D.

Wimberly in an effort to communitize all interests within the Justis Gas Pool, underlying the NE/4 of said Section 23, but that applicant has been unable to receive any response to its inquiries.

- (7) That the interests of all persons within the vertical limits of the Justis Gas Pool underlying the NE/4 of said Section 23, should be compulsorily pooled in order to prevent waste and protect the correlative rights of all of said persons.
- (8) That R. Olsen Oil Company should be designated as operator of the pooled unit.

IT IS THEREFORE ORDERED:

- (1) That the interests of all persons within the vertical limits of the Justis Gas Pool underlying the NE/4 Section 23, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same are hereby compulsorily pooled, and that said unit be dedicated to the R. Olsen Oil Company Wimberly No. 1 Well, located 1980 feet from the North line and 660 feet from the East line of said Section 23.
- (2) That R. Olsen Oil Company be and the same is hereby designated as the operator of the above-created pooled unit until further order of the Commission.
- (3) That the production from the said unit be allocated the owners of each tract in the unit in the same proportion that the acreage in each tract bears to the total acreage in the unit.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

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MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary