

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. 1567
Order No. R-1310

APPLICATION OF OLSEN OILS, INC. FOR
A 160-ACRE NON-STANDARD GAS PRORATION
UNIT IN THE TUBB GAS POOL, LEA COUNTY,
NEW MEXICO; OR IN THE ALTERNATIVE FOR
AN ORDER FORCE POOLING THE NW/4 OF
SECTION 25 AS A TUBB GAS UNIT AND THE
SW/4 OF SECTION 25 AS A TUBB GAS UNIT,
BOTH IN TOWNSHIP 22 SOUTH, RANGE 37
EAST, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 10, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 17th day of December, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, 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 applicant, Olsen Oils, Inc., is the owner and operator of the W/2 of Section 25, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes the establishment of a 160-acre non-standard gas proration unit in the Tubb Gas Pool comprising the N/2 NW/4, SW/4 NW/4 and the NW/4 SW/4 of said Section 25, said unit to be dedicated to a Tubb gas well to be drilled in the NE/4 NW/4 of said Section 25.

(4) That in the alternative the applicant seeks an order force pooling the NW/4 of said Section 25 as one standard Tubb gas unit and the SW/4 of said Section 25 as another standard Tubb gas unit.

(5) That the applicant has made diligent efforts to communitize all interests in the above-described standard units for the Tubb gas pool, but has been unable to obtain the consent of all persons owning an interest in said units.

(6) That all parties owning an interest in the above-described unit were given actual notice of the hearing in this case and that the Commission has received no objection to the approval of the subject application.

(7) That the most efficient and orderly development of the subject acreage can be accomplished by force pooling the NW/4 of said Section 25 and the SW/4 of said Section 25 to form two standard gas proration units in the Tubb Gas Pool, and that such an order should be entered.

IT IS THEREFORE ORDERED:

(1) That the interests of all persons having the right to drill for, produce, or share in the production of dry gas and associated liquid hydrocarbons, or either of them, from the Tubb Gas Pool underlying the NW/4 of Section 25, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same are hereby pooled, said unit to be dedicated to applicant's Sims Well No. 2 located in the SE/4 NW/4 of said Section 25, and that Olsen Oils, Inc., be and the same is hereby designated as the operator of said pooled unit until further order of the Commission.

(2) That the production from the above-described pooled unit be allocated to each tract in the unit in the same proportion that the acreage in said tract bears to the total acreage in the unit.

(3) That the interests of all persons having the right to drill for, produce, or share in the production of dry gas and associated liquid hydrocarbons, or either of them, from the Tubb Gas Pool underlying the SW/4 of Section 25, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same are hereby pooled, and that Olsen Oils, Inc., be and the same is hereby designated as the operator of said pooled unit until further order of the Commission with authority to drill a unit well in the NE/4 SW/4 of said Section 25.

(4) That the production from the above-described pooled unit be allocated to each tract in the unit in the same proportion that the acreage in said tract bears to the total acreage in the unit.

(5) That Commission Order No. R-677, dated August 17, 1955, be and the same is hereby rescinded upon the effective date of this order.

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(6) That the effective date of this order and of all of the provisions contained herein shall be January 1, 1959.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

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

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