

November 10, 1961

Mr. W. D. Girand
Girand, Cowan & Reese
Attorneys at Law
Hobbs, New Mexico

Re: Sims v. Oil Conservation Commission
Case No. 10,860

Dear Sir:

Enclosed herein is a Stipulation in the above matter. I believe I have correctly stated our agreements. If you have any corrections, please advise.

Yours very truly,

C. N. Morris

CNM:par
Enclosures

cc: Campbell & Russell
Richard S. Morris

IN THE DISTRICT COURT OF LEA COUNTY, STATE OF NEW MEXICO

AMANDA E. SIMS and GEORGE W.
SIMS,

Petitioners,

-vs-

No. 18,860

HONORABLE JOHN BURROUGHS,
CHAIRMAN, MURRY E. MORGAN,
MEMBER, A. L. PORTER, JR.,
MEMBER, SECRETARY OF THE OIL
CONSERVATION COMMISSION OF
THE STATE OF NEW MEXICO; AND
OLSEN OILS, INC.,

Respondents.

S T I P U L A T I O N

It is hereby stipulated by and between the
parties as follows:

1. That on or about the 14th day of July, 1955, the Oil Conservation Commission adopted Order No. R-677 in case No. 929 wherein the property of petitioners herein was pooled as a production unit for the producing of dry gas and associated liquid hydro-carbons from the vertical limits of the Tubb gas zone; that the records of such case may be considered by the Court in the decision of this case.

2. That on or about the 11th day of September, 1957, a contract was entered into between the holders of the oil and gas lease covering such property and the owners of the mineral interest therein pooling such property as a production unit for the production of dry gas and associated liquid hydro-carbons from the

vertical limits of the Tubb gas zone.

3. That on or about the 20th day of September, 1957, the lease holder of such property commenced the drilling of a gas well to be completed in the Tubb gas zone which gas well was completed as a commercial producer of dry gas and associated liquid hydro-carbons in the Tubb gas zone on or about the 1st day of January, 1958, and such production was attributed in accordance with the prior agreement of the parties and the prior order of the Commission.

4. That on the ¹⁷10th day of December, 1958, the Oil Conservation Commission entered an order in cause No. 1567 wherein the Commission pooled the NW $\frac{1}{4}$ of Section 25, Township 22 South, Range 37 East as a Tubb gas unit and the SW $\frac{1}{4}$ of such section as a Tubb gas unit and thereafter the production of the gas well drilled in 1957 was attributed to the NW $\frac{1}{4}$ of such section and a new gas well was drilled in the SW $\frac{1}{4}$ of such section and the production of such new well was attributed to the SW $\frac{1}{4}$ of said section; that the production realized from the new gas well in the SW $\frac{1}{4}$ is substantially less than the production realized from the gas well originally attributed to the acreage of the petitioners herein. R-1310

5. That the records of the Commission causes numbered 929, 1567 and 2051 and the pooling agreement described in paragraph 2 hereof may be admitted into evidence and considered by the Court in the determination of this cause.

DONE this _____ day of November, 1961.

~~ATTORNEY FOR PETITIONER~~

~~ATTORNEY FOR OLSEN OILS, INC.~~

~~ATTORNEY FOR OIL CONSERVATION
COMMISSION~~

~~TEXAS-PACIFIC COAL AND OIL~~