

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. 1945
Order No. R-1671

APPLICATION OF PERMIAN OIL COMPANY
FOR AN ORDER FORCE-POOLING ALL
INTERESTS IN A 320-ACRE GAS UNIT
IN THE DAKOTA PRODUCING INTERVAL,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 27, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, 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 13th day of May, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Permian Oil Company, is the operator of a 320-acre gas unit in the Dakota Producing Interval comprising the E/2 of Section 5, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico.
- (3) That a communitization agreement covering the above-described 320-acre unit has been executed, ratified or consented to by all persons owning a mineral interest in the Dakota formation under the said 320-acre tract except two owners of a non-participating royalty interest in the amount of 17½ percent of all production in the S/2 NE/4, N/2 SE/4, and SW/4 SE/4 of said Section 5.
- (4) That inasmuch as the applicant, after diligent effort, has been unable to locate the above-described non-consenting interest owners, it seeks an order force-pooling all Dakota Producing Interval mineral interest owners in the said 320-acre gas unit.

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(5) That the applicant proposes to dedicate the said 320-acre gas unit to a well located 925 feet from the North line and 920 feet from the East line of said Section 5.

(6) That this case was duly advertised as provided by law, and no objection was received to the application from the non-consenting interest owners.

(7) That approval of the subject application will neither cause waste nor impair correlative rights, provided that the royalty payments due to the non-consenting interest owners whose whereabouts are apparently unknown are placed in escrow.

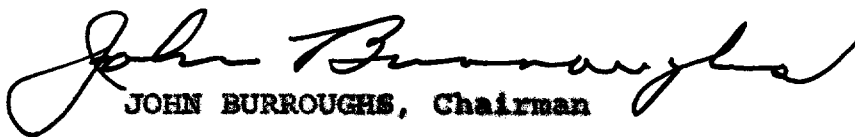
IT IS THEREFORE ORDERED:

(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 Dakota Producing Interval underlying the E/2 of Section 5, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico, be and the same are hereby force-pooled. Said 320-acre unit is to be dedicated to a well located 925 feet from the North line and 920 feet from the East line of said Section 5.

(2) That all royalty payments due the mineral interest owners whose whereabouts are unknown shall be placed in escrow.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

