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. 1985 Order No. R-1697

APPLICATION OF CHARLES LOVELESS, JR., FOR A 280-ACRE NON-STANDARD GAS UNIT IN THE ATOKA-PENNSYLVANIAN GAS POOL, EDDY COUNTY, NEW MEXICO, OR IN THE ALTERNATIVE FOR A FORCE-POOLING ORDER TO ESTABLISH A STANDARD UNIT IN SAID POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 1, 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 ^{10th} day of June, 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, Charles Loveless, Jr., is the operator of the NE/4 NE/4, W/2 NE/4 and NW/4 of Section 11, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico.

(3) That the applicant proposes that the above-described acreage be established as a 280-acre non-standard gas unit in the Atoka-Pennsylvanian Gas Pool, said unit to be dedicated to a well to be drilled 1650 feet from the North line and 1650 feet from the West line of said Section 11, or in the alternative for an order force-pooling the mineral interests of all persons in the N/2 of Section 11 to form a standard 320-acre gas unit in the Atoka-Pennsylvanian Gas Pool to be dedicated to the above-described well.

(4) That Socony Mobil Oil Company, the working-interest owner of the SE/4 NE/4 of Section 11 objects to being included -2-CASE No. 1985 Order No. R-1697

in the standard unit proposed by the applicant on the ground that it would deprive it of its fair share of the gas underlying the SE/4 NE/4 of said Section 11.

(5) That the request of the applicant to force-pool all mineral interest owners in the N/2 of said Section 11 to form a standard 320-acre gas unit in the Atoka-Pennsylvanian Gas Pool should be <u>denied</u>, but the alternative proposal of the applicant to establish a 280-acre non-standard gas unit should be approved.

(6) That approval of the above-described non-standard gas unit will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That a 280-acre non-standard gas unit in the Atoka-Pennsylvanian Gas Pool consisting of the NE/4 NE/4, W/2 NE/4 and the NW/4 of Section 11, Township 18 South, Range 26 East, NMPM, Eddy County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to a well to be drilled 1650 feet from the North line and 1650 feet from the West line of said Section 11.

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

PORTER, Jr., Member & Secretary

