

MAIN OFFICE OCC

1960 MAY 25 AM 8:05 BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF GREAT WESTERN
DRILLING COMPANY FOR AN ORDER
FORCE POOLING ALL MINERAL
INTERESTS IN THE E $\frac{1}{2}$ NE $\frac{1}{4}$ SECTION
32, E $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$, SECTION 33,
TOWNSHIP 19 SOUTH, RANGE 37
EAST, N.M.P.M. FOR THE PRODUCTION
OF DRY GAS AND ASSOCIATED LIQUID
HYDRO-CARBONS PRODUCIBLE WITHIN
THE VERTICAL LIMITS OF THE EUMONT
GAS POOL UNDERLYING SAID LANDS;
IN LEA COUNTY, NEW MEXICO

Case No. 1998

Comes now Great Western Drilling Company, whose address is Box 1659, Midland, Texas, and hereby makes application for an Order, after due notice and hearing, force pooling all mineral interests in the E $\frac{1}{2}$ NE $\frac{1}{4}$, Section 32, E $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 33, Township 19 South, Range 37 East, N.M.P.M. for the production of dry gas and associated liquid hydro-carbons producible within the vertical limits of the Eumont Gas Pool underlying said lands, in Lea County, New Mexico, and in support of this application states that:

1. Applicant is the Operator of the above non-standard gas proration unit which was heretofore approved by this Commission in Case No. 1944, Order R-1663, dated May 9, 1960; said case, and all testimony and exhibits therein, are incorporated in this application by reference.

2. Said lands, and unit area, have been dedicated to a well producing gas in paying quantities, which well is located 330 feet from the North line and 270 feet from the West line of said Section 33. That said well is capable of efficiently and effectively draining all dry gas and associated liquid hydro-carbons producible within the vertical limits of the Eumont Gas Pool underlying said unit area. That a substantial portion of the mineral owners in said Unit Area have entered into a Communitization Agreement with respect to such production. A fully executed copy of such Communitization Agreement is attached hereto.

3. That the following persons, owning the interest stated, whose last known address (if any) is stated opposite their respective name, have not executed, ratified or consented to said Communitization Agreement, to-wit:

<u>Name</u>	<u>Address</u>	<u>Interest - Tract</u>
✓ S. E. Cone	c/o J.R.Cone, Attorney-in-Fact Great Plains Life Building Lubbock, Texas	.375% ORR - No. 1
Henry Hall	Unknown	65/500 of 1% ORR - No. 1
Estate of Fred B. Caylor	Unknown	6/50 of 1% ORR - No. 1
B. A. Bowers	Unknown	4/852 R.I. - No. 2A
Estate of George F. Henneberry, deceased	Unknown	36/852 R.I. - No. 2A
✓ H. L. Lowe	Great Plains Life Building Lubbock, Texas	8/852 R.I. - No. 2A
L Unknown	L Unknown	All - No. 2B
Mrs. Joy Mabel Stanley	Unknown	.0375% R.I. - No. 3
Heirs of Elizabeth A. Anderson	Unknown	.54343% R.I. - No. 3
✓ Abner M. Jack	Box 423, Scooba, Mississippi	.20625% R.I. - No. 3
✓ W. M. Beauchamp, Ancillary Guardian of the Estate of William Howard Jack	c/o District Clerk Lovington, New Mexico	.39375% R.I. - No. 3

That a copy of this application has been forwarded to each of the above persons, whose address is known, by United States mail, certified, return receipt requested, postage prepaid, to the respective address shown above, due proof of which will be made at the hearing on this application. That as respects the above named person whose address is unknown, Applicant has made a diligent search and inquiry and has been unable to ascertain the residence or whereabouts of each such person; and as respects Tract No. 2B, Applicant, after due search and inquiry, has been unable to determine the mineral ownership thereof.

4. Previously, this Commission in Case No. 117, Order No. 739, dated April 9, 1948, has pooled all mineral interests in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 32 for the purpose of production of crude petroleum oil and natural gas. That said Case, and all testimony and exhibits therein, are incorporated in this application by reference.

5. Applicant is designated as Operator of the above described lands under the terms of the above described Communitization Agreement, and that as such Operator Applicant has made a diligent effort to communitize all interest in the above described lands for the production of dry gas and associated liquid hydro-carbons producible within the vertical limits of the Eumont Gas Pool underlying said lands, but that it has been unable to obtain the consent of all parties owning a mineral interest in said lands. That the most efficient and orderly development of the above described lands can be accomplished by force pooling all mineral interests therein and requiring that the interests of all persons having the right to drill for, produce or share in, the production of dry gas and associated liquid hydro-carbons, or either of them, producible from said formation and lands should be pooled, and that Applicant should be designated as Operator of said pooled unit until further order of this Commission, with due authority to produce and develop such petroleum products from said formations and lands. Applicant states that it is just, equitable and in the interest of conservation, and the protection of the correlative rights of all interested parties, that this Commission further enter its order providing that production from the above described pooled unit be allocated to each tract in the unit (as described in Exhibit "A" of said Communitization Agreement) in the same proportions that the acreage in each said tract bears to the total acreage in the aforementioned unit.

That the granting of this Application will be in the interest of conservation, the prevention of waste, and the protection of the correlative rights of all interested parties.

WHEREFORE, Applicant respectfully requests that the Commission enter its order providing:

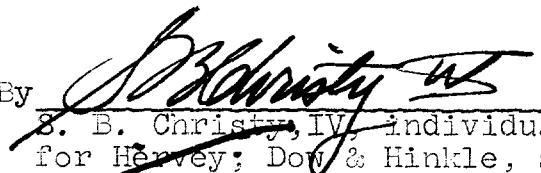
(1) That the interests of all persons having the right to drill for, produce, or share in the production of dry gas and associated liquid hydro-carbons, or either of them, producible within the vertical limits of the Eumont Gas Pool underlying the E $\frac{1}{2}$ NE $\frac{1}{4}$ Section 32, E $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$ Section 33, Township 19 South, Range 37 East, N.M.P.M., Lea County, New Mexico, be pooled, and that such pool unit be dedicated to Applicant's aforementioned well located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 33, and that Applicant be designated as the Operator of said pool 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 proportions that the acreage in said tract bears to the total acreage in the unit;

(3) That the effective date of the Commission's order and of all provisions contained therein be made as of 7:00 A.M. on the 1st day of May, 1960.

Respectfully submitted,

GREAT WESTERN DRILLING COMPANY

By 
S. B. Christy, IV, individually
for Harvey; Dow & Hinkle, as a
member of the firm
Box 547
Roswell, New Mexico

Attorneys for the Applicant