

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. 2005
Order No. R-1715

APPLICATION OF ARGO OIL CORPORATION
FOR AN ORDER FORCE-POOLING THE
INTERESTS IN A 160-ACRE NON-STANDARD
GAS PRORATION UNIT IN THE JALMAT GAS
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 6, 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 15th day of July, 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, Argo Oil Corporation, is the operator of a 160-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the E/2 NE/4 of Section 21 and the W/2 NW/4 of Section 22, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, which unit was established by Order No. R-1520.

(3) That the applicant has obtained the consent of all owners of interest within said unit to a voluntary gas pooling agreement, except for a 21/128 mineral interest in the SW/4 NW/4 of said Section 22, which interest is owned by the heirs of B. T. Lanehart in amounts that will remain indefinite until a judicial determination of heirship is obtained.

(4) That inasmuch as such determination of heirship has not been accomplished, the owners of said 21/128 interest have not consented to the proposed gas pooling agreement.

-2-

CASE No. 2005
Order No. R-1715

(5) That inasmuch as the applicant, after diligent effort, has been unable to secure approval of all interest owners to said pooling agreement, it seeks an order force-pooling all interests in the above-described unit.

(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 denial of the subject application would tend to deprive those persons having an interest in the SW/4 NW/4 of said Section 22 of the opportunity to recover their just and equitable share of the hydrocarbons in the Jalmat Gas Pool.

(8) That approval of the subject application will neither cause waste nor impair correlative rights, provided that the payments due to the non-consenting interest owners are segregated or placed in escrow pending determination of heirship.

IT IS THEREFORE ORDERED:

(1) That the interests of all persons having the right to drill for, produce, or share in the production of gas and associated liquid hydrocarbons, or either of them, from the Jalmat Gas Pool underlying the E/2 NE/4 of Section 21 and W/2 NW/4 of Section 22, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico be and the same are hereby force-pooled.

(2) That all payments due to the non-consenting mineral owners shall be segregated or placed in escrow pending determination of heirship.

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

