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. 2381 Order No. R-2068

APPLICATION OF SOUTHWEST PRODUCTION COMPANY FOR A POOLING ORDER, 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 September 20, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 29th day of September, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Southwest Production Company, is the operator of the E/2 of Section 22, Township 30 North, Range 12 West, NMPM, San Juan County, New Mexico, by virtue of having under oil and gas lease most of the acreage therein and by having secured communitization agreements with the owners of the mineral interests in the remaining acreage.
- (3) That the applicant seeks an order pooling all mineral interests in the Basin-Dakota Gas Pool in said E/2 of Section 22.
- (4) That the only interests to be pooled which are not under lease to applicant or communitized would be unascertained contingent interests which might arise due to title disputes or due to applicant's failure to have leased the entire area intended to have been leased.
- (5) That inasmuch as there appear to be no non-consenting mineral interests to be pooled at the present time, the subject

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application should be <u>denied</u>, without prejudice, however, to applicant's right to request Commission action if, and when, outstanding interests are determined to exist.

IT IS THEREFORE ORDERED:

That the subject application is hereby denied.

PROVIDED HOWEVER, That denial of the subject application shall be without prejudice to applicant's right to request Commission action at such time as it is determined that outstanding mineral interests exist in the E/2 of Section 22, Township 30 North, Range 12 West, NMPM, San Juan County, New Mexico.

IT IS FURTHER ORDERED:

That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

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