

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF -)

THE APPLICATION OF SOUTHWEST)
PRODUCTION COMPANY, a co-partner-)
ship consisting of Joseph P.)
Driscoll and John H. Hill, FOR AN)
ORDER FORCE POOLING THE W $\frac{1}{2}$ of)
Section 7, Township 30 North, Range)
11 West, N.M.P.M., San Juan County,)
New Mexico, FOR PRODUCTION OF GAS)
FROM THE BASIN-DAKOTA GAS POOL.)

Case No. 2452

A P P L I C A T I O N

Comes now the applicant, Southwest Production Company, a co-partnership consisting of Joseph P. Driscoll and John H. Hill, and for its application alleges and states:

1. That it is the owner of oil and gas leases covering all of the W $\frac{1}{2}$ of Section 7, T-30-N, R-11-W, N.M.P.M., San Juan County, New Mexico, except for the following described tract consisting of 3.39 acres, to-wit:

BEGINNING at a point where the South line of Highway 550 intersects the East line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 7, T-30-N, R-11-W, N.M.P.M., THENCE S. 392 feet, more or less, to the North side of the public road (old Farmington-Aztec Highway);
THENCE Westerly along the North side of said road 787 feet;
THENCE N. 520 feet, more or less, to the South line of said Highway 550;
THENCE Easterly along the South line of said Highway 652 feet, more or less, to the point of beginning,

EXCEPTING therefrom the following tract:

BEGINNING at a point where the North line of the public road (old Farmington-Aztec Highway) crosses the East line of said NE $\frac{1}{4}$ SW $\frac{1}{4}$;
THENCE running North on said line 150 feet;
THENCE in a Southwesterly direction parallel with said public road 450 feet;
THENCE S. 150 feet to the North side of said public road;
THENCE Northeasterly along the North side of said public road to the point of beginning.

2. That heretofore this Commission entered its Order No. R-1991 creating a non-standard gas proration unit for production

of gas from the Basin-Dakota Gas Pool consisting of all of the $W\frac{1}{2}$ of the above described Section 7 except for the unleased tract described by metes and bounds in the preceding paragraph; that applicant desires that this Commission vacate its Order No. R-1991 creating such non-standard gas proration unit and make the entire $W\frac{1}{2}$ of said Section 7 consisting of a total of 330.40 acres one non-standard proration unit for the production of gas.

3. That the above described 3.39 acre tract is unleased, and that the minerals thereunder are owned by Maleta Y. Brimhall whose husband is Harold M. Brimhall, and whose address is 6545 North First Place, Phoenix, Arizona, and Barbara Brimhall, now Burnham, whose address is Farmington Highway, Aztec, New Mexico; that the applicant has endeavored to get the above named mineral owners to enter into a communitization agreement for the production of gas from the above described $W\frac{1}{2}$ of Section 7, but that the above named mineral owners have repeatedly refused to make any reasonable agreement for production of gas from the Basin-Dakota Gas Pool underlying said 330.40 acre unit.

4. That heretofore applicant has drilled and completed a Basin-Dakota gas well located in the $NW\frac{1}{4}SW\frac{1}{4}$ of the above described Section 7, which well was completed as a commercial producer; that applicant is entitled to have this Commission make it the "Operator" for the above described well for the entire 330.40 acre unit above requested, and that applicant is further entitled to an Order of this Commission pooling the entire $W\frac{1}{2}$ of the above described Section 7 for production of gas from said pool.

5. That there was considerable risk involved in the drilling and completing of the above described well, and under the statutes of the State of New Mexico and the rules and regulations of the Oil Conservation Commission of the State of New Mexico applicant is entitled to and should be allowed to take and receive for its

own use 7/8ths of any and all production had from the above described well until such time as it has been reimbursed in an amount equal to 125% of its actual costs of drilling, completing, equipping and operating said well plus a reasonable compensation for the supervision thereof.

6. That the force pooling Order herein requested is necessary in order to prevent waste and protect the correlative rights of the parties.

WHEREFORE, applicant prays that this application be set down for hearing at an early date, that due notice thereof be given in accord with the rules and regulations of this Commission and the laws of the State of New Mexico, and that after hearing from the evidence to be adduced thereat this Commission enter its Order terminating the non-standard proration unit in the $W\frac{1}{2}$ of the above described Section 7, declaring the entire $W\frac{1}{2}$ to be a 330.40 acre non-standard gas proration unit, and force pooling the Dakota formation underlying the same.

VERITY, BURR & COOLEY

By 

Geo. L. Verity

Attorneys for Applicant,
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