

GOVERNOR
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State of New Mexico

Oil Conservation Commission



P. O. BOX 871
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LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

September 11, 1963

Mr. Joe D. Ramey
Supervisor, District 1
Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico

Re: T.P.C. and O. Co. Well No. 2, SE/4 NW/4 and
T.P.C. and O. Co. Well No. 3, NE/4 SW/4, Sec-
tion 25, Township 22 South, Range 37 East,
NMPM, Lea County, New Mexico

Dear Joe:

In *Amanda E. Sims et al. v. Oil Conservation Commission et al.*, No. 7206, the Supreme Court of New Mexico declared Commission Order R-1310 void. As Order No. R-1310 had superseded Order No. R-677, the effect of the Court's decision was to re-establish the validity of Order No. R-677 and the non-standard proration unit created by that order. As T.P.C. and O. Co. Well No. 2 was drilled in reliance on Commission Order No. R-677 and T.P.C. and O. Co. Well No. 3 was drilled in reliance on Commission Order No. R-1310, the result is that there are now two wells located on the same non-standard proration unit.

As the Commission Rules and Regulations do not prohibit the drilling of more than one well on a standard or non-standard proration unit at standard locations and both wells comply with the well location requirements, the acreage comprising the non-standard unit created by Order No. R-677 may be dedicated to both wells simultaneously. As long as the combined production status from both wells does not exceed a 160-acre allowable in the Tubb Gas Pool,

