

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

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JUNE 26, 1963

MEMO

TO: REGALIA

FROM: J. M. DURRITT, Jr., GENERAL COUNSEL

SUBJECT: T.P.C. AND O. COMPANY WELL NO. 2, NE/4 NW/4, SECTION 25, TOWNSHIP 22 SOUTH, RANGE 37 EAST, HEMP, LEA COUNTY, NEW MEXICO, AND T.P.C. AND O. COMPANY WELL NO. 3, NE/4 SW/4, SECTION 25, TOWNSHIP 22 SOUTH, RANGE 37 EAST, HEMP, LEA COUNTY, NEW MEXICO.

As a result of *Amada E. Sims et al. v. Oil Conservation Commission et al.*, No. 7206, the staff held a conference on Wednesday June 19, 1963, to determine the status of the two subject wells.

A tabulation of the combined production status for both wells since July 1960 when the No. 3 well went on production indicates that the combined production for both wells has not exceeded a 160-acre one-well non-marginal allowable to date. Although it is the policy of the Commission to require a hearing prior to approval of a second well on a non-standard proration unit, it was determined by the Commission staff that a hearing should not be called concerning these wells in view of their combined cumulative production status and the fact that the second well was drilled in reliance upon an order of the Commission.