

Case No.

644

Application, Transcript,
Small Exhibits, Etc.

N.L.

CASE 644: Amerada 160-acre unorthodox
gas proration unit, Eumont Gas Pool

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 644
Order No. R-442

THE APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT TO
RULE 7 (a) OF ORDER NO. R-370-A, IN ESTABLISH-
MENT OF AN UNORTHODOX GAS PRORATION UNIT
OF 160 CONTIGUOUS ACRES CONSISTING OF THE
NORTH HALF OF THE NORTH HALF OF SECTION 9,
TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM, LEA
COUNTY, NEW MEXICO, IN THE EUMONT GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on January 20, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 27th day of May, 1954, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 7 (a) of Order No. R-370-A the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

(3) That applicant, Amerada Petroleum Corporation, is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
N/2 N/2 of Section 9.

containing 160 acres, more or less.

(4) That applicant, Amerada Petroleum Corporation, has obtained permission from the Commission to dually complete a well on aforesaid lease, the well known as the Laughlin, No. 1, located 660 feet from the North and West lines of Section 9, Township 20 South, Range 37 East, NMPM.

(5) That the aforesaid well is located within the limits of the pool heretofore delineated and designated as the Eumont Gas Pool.

Order No. R-442

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the North half of Section 9, Township 20 South, Range 37 East, NMPM, and that the owners of adjoining acreage in said quarter sections have not objected to the formation of the proposed proration unit of 160 acres, but have expressly consented thereto.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, will protect correlative rights, and is necessary to prevent confiscation of applicant's property.

IT IS THEREFORE ORDERED:

(1) That the application of Amerada Petroleum Corporation for approval of an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
N/2 N/2 of Section 9

be and the same hereby is approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, Laughlin, No. 1, located in the NW/4 NW/4 of Section 9, Township 20 South, Range 37 East, NMPM, shall be granted an allowable in the proportion that the above described 160 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission, effective date of said allowable being determined in accordance with the provisions of Rule 13, of Order R-370-A, or rules and orders succeeding thereto.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


R. R. SPURRIER, Secretary and Member

(S E A L)

hny

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF CON-
SIDERING:

CASE NO. 644
Order No. R- 442

THE APPLICATION OF

Cap {
AMERADA PETROLEUM CORPORATION
FOR AN ORDER GRANTING APPROVAL
OF AN EXCEPTION ^{PROVISION} TO RULE 7 (a) OF
ORDER NO. R- 370-A IN ESTABLISHMENT
OF AN UNORTHODOX GAS PRORATION
UNIT OF 160 CONTIGUOUS ACRES
CONSISTING OF THE NORTH HALF OF THE
NORTH HALF OF SECTION 9, Township 20 South, Range 37 East
NMPM, Lea County, New Mexico, in the Eumont Gas Pool.

BY THE COMMISSION:

ORDER OF THE COMMISSION

This cause came on for hearing at 9 o'clock a. m., on January 20, 1954,
at Santa Fe, New Mexico, before the Oil Conservation Commission, herein-
after referred to as the "Commission".

NOW, on this May day of April, 1954, the Commission, a
quorum being present, having considered the records and testimony adduced, and
being fully advised in the premises;

FINDS:

(1) That due notice of the time and place of hearing and the purpose
thereof having been given as required by law, the Commission has jurisdiction of this
case and the subject matter thereof.

(2) That pursuant to provisions of Rule 7 (a) of Order No. R- ^{370-A} 370A,
the Commission has power and authority to permit the formation of a gas proration
unit consisting of other than a legal quarter section after notice and hearing by the
Commission.

(3) That applicant, Amerada Petroleum Corporation,
is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of
other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM.

North half of the North half of Section 9

containing 160 acres, more or less.

Order No. R- 442

(4) That applicant, Amerada Petroleum Corporation, has obtained permission from the Commission to dually complete a well on aforesaid lease, the well known as the Laughlin, No. 1, located 660 feet from the North and West Lines of Section 9, Township 20 South, Range 37 East, NMPM,

(4) That applicant, has a producing well on the aforesaid lease known as located from the line and from the line of Section , Township South, Range East.

(5) That the aforesaid well was completed and in production prior to ~~January 1, 1954, the effective date of Order No. R-~~ and is located within the limits of the pool heretofore delineated and designated as the Eumont Gas Pool.

(6) That it is ~~impossible~~ ^{impractical} to pool applicant's said lease with adjoining acreage in the ~~North~~ half of Section 9, Township 20 South, Range 37 East, NMPM, and that the owners of adjoining acreage in said quarter sections have not objected to the formation of the proposed proration unit of 160 acres, but have expressly consented thereto.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover ~~its~~ just and equitable share of the natural gas in the Eumont Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, will protect correlative rights, and is necessary to prevent confiscation of applicant's property.

IT IS THEREFORE ORDERED:

(1) That the application of Amerada Petroleum Corporation for approval of an unorthodox proration unit consisting of the following described acreage

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM.

North half of the North half of Section 9

be and the same hereby is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created, ~~and approved~~

-3-

Order No. R- 442

(2) That applicant's well, Laughlin, No. 1, located in the NW/4NW/4 of Section 9, Township 20 South, Range 37 East, NMPM, shall be granted an allowable ~~from January 1, 1954~~ in the proportion that the above described 160 - acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission, the effective date of said allowable being determined in accordance with the provisions of Rule 13, of Order R-370-A, DONE at Santa Fe, New Mexico, the day and year hereinabove designated.

~~under and on the authority of the~~

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary and Member

(S E A L)

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

June 7, 1954

Amerasia Petroleum Corporation
Box 2040
TULSA OKLAHOMA

Attention: Mr. John Woodward

Gentlemen:

We enclose orders issued by the Oil Conservation Commission
in cases heard recently upon your company's application, as
follows:

Order R-442 in Case 644
R-443 in Case 647
R-444 in Case 648
R-445 in Case 649
R-470 in Case 664
R-471 in Case 665

Very truly yours,

W. B. Macey
Chief Engineer

WBm:mr

C
O
P
Y

Case 644
8-11-53

December 23, 1953

Skelly Oil Co.
P. O. Box 1650
Tulsa, Oklahoma

Attention: Mr. D. N. Hill

Ohio Oil Company
Midland Tower Building
Midland, Texas

Attention: Mr. D. K. Spellman, Jr.

Re: Application for Unorthodox
Gas Proration Unit, Amerada
Laughlin lease, Eumont Gas
Pool, Lea County, New Mexico

Gentlemen:

Attached please find our application for an unorthodox gas proration unit in the Eumont gas pool, Lea County, New Mexico.

The attached plat delineates our proposed unit and also leases of other companies within the section.

We suggest if you have objection to such units that you contact us prior to the Statewide hearing on January 20, 1954, in order that a satisfactory arrangement may be agreed upon, if possible.

Thank you for your cooperation in this matter.

Yours very truly,

AMERADA PETROLEUM CORPORATION

By _____
J. P. Hammond

RSC:vd

attachments

NEW MEXICO
OIL CONSERVATION COMMISSION

Gas Well Plat

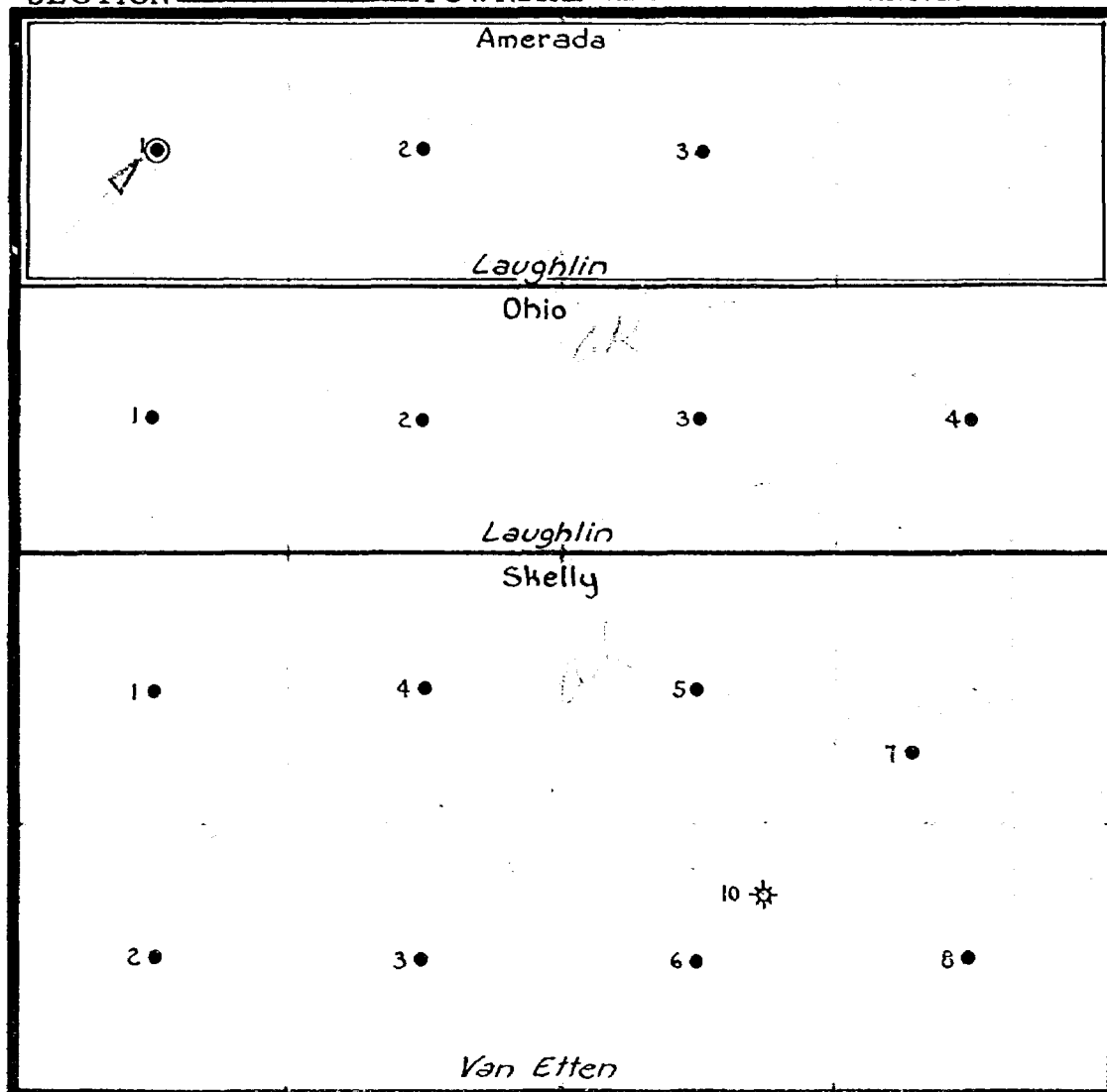
Date December 9, 1953

Amerada Petroleum Corporation Laughlin 1
Operator Lease Well No.

Name of Producing Formation Seven Rivers-Queens Pool Eumont 695

No. Acres Dedicated to the Well 160

SECTION 9 TOWNSHIP 20S RANGE 37E



I hereby certify that the information given above is true and complete to the best of my knowledge.

Name _____
Position _____
Representing _____
Address _____

(over)

INSTRUCTIONS

1. Is this gas well a dual completion? Yes ____ No ____
2. If the answer to Question 1 is Yes, are there any other dually completed wells within the dedicated acreage? Yes _____ No _____

A separate plat must be filed for each gas well, outlining the area dedicated to such well and showing the location of all other wells (oil and gas) within the outlined area.

Mail in duplicate to the district office for the district in which the well is located.

Monument, New Mexico
December 9, 1953

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Application for Unorthodox
Gas Proration Unit, Amerada
Laughlin lease, Eumont Gas
Pool, Lea County, New Mexico

Gentlemen:

By this letter of application Amerada Petroleum Corporation wishes to state the following:

(1) That the N/2 of the N/2 of Section 9, Twp. 20-S, Rge. 37-E, Lea County is the Amerada Petroleum Corporation Laughlin lease and covers 160 acres. The attached plat shows the subject tract, the other tracts in the section, and the wells located thereon.

(2) That permission to dually complete Well No. 1 in the Monument Pool and in the Eumont Gas Pool was granted by the Oil Conservation Commission in Order R-298 dated May 21, 1953. The well is located 660 feet from the north and 660 feet from the west lines of Section 9, Twp. 20-S, Rge. 37-E.

(3) That the authorized dual completion has not been done, but the applicant intends to effect the dual completion within 60 days.

(4) That the applicant proposes that the N/2 of the N/2 of Section 9, Twp. 20-S, Rge. 37-E be established as a 160 acre gas proration unit in exception to Rule 7 (a) of Order R-370-A, such unit to become effective upon completion of Well No. 1 as a gas well and compliance with Rule 12 of Order R-370-A..

(5) That unitization of this tract with other tracts to form standard proration units is impractical.

(6) That granting of this application will not interfere with the establishment of four 160 acre proration units with four reasonably spaced gas wells in this section 9.

Therefore, Amerada Petroleum Corporation requests that the Oil Conservation Commission set a certain day upon which this application may be heard and after said hearing establish the proration unit as proposed in this application.

Respectfully Submitted,

AMERADA PETROLEUM CORPORATION

By: D. C. Capps
D. C. Capps
District Superintendent

NEW MEXICO
OIL CONSERVATION COMMISSION

Gas Well Plat

Date _____

Operator _____ Lease _____ Well No. _____
Name of Producing Formation _____ Pool _____

No. Acres Dedicated to the Well _____

SECTION _____ TOWNSHIP _____ RANGE _____

Amerada			
1●	2●	3●	
Laughlin			
Ohio			
1●	2●	3●	4●
Laughlin			
Skelly			
1●	4●	5●	7●
		10★	
2●	3●	6●	8●
Van Etten			

I hereby certify that the information given above is true and complete to the best of my knowledge.

1. Is this gas well a dual completion:
Yes X No _____
2. If the answer to Question 1 is Yes,
are there any other dually completed
wells within the dedicated acreage?
Yes _____ No X

Name _____
Position _____
Representing _____
Address _____

(over)

CASE NO: 644

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Application for Unorthodox
Gas Proration Unit, Amerada
Laughlin lease, Eumont Gas
Pool, Lea County, New Mexico

Gentlemen:

By this letter of application Amerada Petroleum Corporation wishes to state the following:

(1) That the N/2 of the N/2 of Section 9, twp. 20-S, Rge. 37-E, Lea County, is the Amerada Petroleum Corporation Laughlin lease and covers 160 acres. The attached plat shows the subject tract, the other tracts in the section, and the wells located thereon.

(2) That permission to dually complete well No. 1 in the Monument Pool and in the Eumont Gas Pool was granted by the Oil Conservation Commission in Order R-298 dated May 21, 1953. The well is located 660 feet from the north and 660 feet from the west lines of Section 9, Twp. 20-S, Rge. 37-E.

(3) That the authorized dual completion has not been done, but the applicant intends to effect the dual completion within 60 days.

(4) That the applicant proposes that the N/2 of the N/2 of Section 9, Twp. 20-S, Rge. 37-E be established as a 160 acre gas proration unit in exception to Rule 7 (a) of Order R-370-A, such unit to become effective upon completion of Well No. 1 as a gas well and compliance with Rule 12 of Order R-370-A.

(5) That unitization of this tract with other tracts to form standard proration units is impractical.

(6) That granting of this application will not interfere with the establishment of four 160 acre proration units with four reasonably spaced gas wells in this section 9.

Therefore, Amerada Petroleum Corporation requests that the Oil Conservation Commission set a certain day upon which this application may be heard and after said hearing establish the proration unit as proposed in this application.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

By: D. C. Capps
District Superintendent

NOTE: The above mentioned Plat is on file in the OCC office in Santa Fe, N. M.

N. M. Oil & Gas Engineering Committee
January 4, 1954
Hobbs, New Mexico