

Case No.

827

Application, Transcript,
Small Exhibits, Etc.

CASE 827: Amendment of NSP-34 to reduce
size of Eumont gas proration unit, Amerada
Petroleum Corporation.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 11, 1955

Amerada Petroleum Corporation
Box 2040
TULSA, OKLAHOMA

Attention: Mr. R. S. Christie

Gentlemen:

We attach copies of Orders R-592 and R-597 issued in Cases 827 and 796, which were heard by this Commission under date of February 28, 1955.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:nr

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. 827
Order No. R-592

THE APPLICATION OF THE COMMISSION
UPON ITS OWN MOTION, DIRECTED TO
AMERADA PETROLEUM CORPORATION,
FOR RECONSIDERATION OF ADMINISTRATIVE
ORDER NSP-34 WHICH CREATED A NON-
STANDARD GAS PRORATION UNIT IN THE
EUMONT GAS POOL CONSISTING OF THE NW/4,
W/2 SW/4 OF SECTION 35, TOWNSHIP 19 SOUTH,
RANGE 36 EAST, NMPM, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 16, 1955, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 28th day of February, 1955, 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 5 (a) of the Special Rules and Regulations of the Eumont Gas Pool of Order No. R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal 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 section, and described as follows, to-wit:

TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM
NW/4, W/2 SW/4 of Section 35

containing 2.10 acres, more or less.

(4) That applicant, Amerada Petroleum Corporation has a producing well on the aforesaid lease known as the Weir Well No. 4, located 1980 feet from the north and west lines of Section 35, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico.

(5) That the above described 240-acre non-standard gas proration unit has been producing under the provisions of Administrative Order NSP-34, and that the Amerada Petroleum Corporation was required to, and did, show cause why this 240-acre proration unit should not be reduced in size.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Eumont Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 240 acres.

(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, and will protect correlative rights.

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 19 SOUTH, RANGE 36 EAST, NMPM
NW/4, W/2 SW/4 of Section 35

be and the same is hereby approved, and a proration unit consisting of aforesaid 240 acres is hereby created.

(2) That applicant's well, Weir No. 4, located in the SE/4 NW/4 of Section 35, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 240-acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

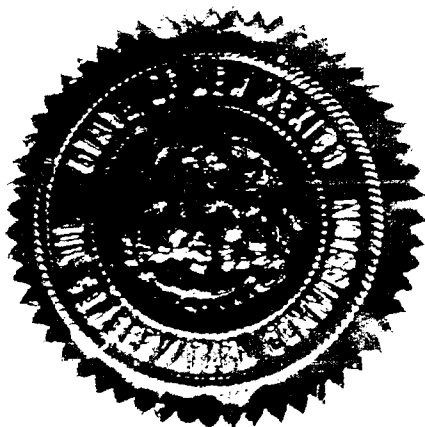
Done at Santa Fe, New Mexico, this day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. ...
JOHN F. ... , Chairman

E. ...
E. ... , Member

...
... , Member and Secretary



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 21, 1955

Amerada Petroleum Corporation
P. O. Box 2040
Tulsa, Oklahoma

Re: Administrative Order NSP-34

Attention: Mr. R. S. Christie

Gentlemen:

On December 8, 1954, by virtue of the provisions of Administrative Order NSP-34, I approved the formation of a non-standard gas proration unit consisting of the following described acreage in the Eumont Gas Pool.

Section 35, Township 19 South, Range 36 East
NW/4, and W/2 SW/4

Information available to me at this time indicates that I exceeded the authority granted to me by the provisions of Rule 5-b of Order R-520 (Eumont Pool Rules) due to the fact that the third paragraph of Rule 5-a specifically limits the maximum amount of acreage that may be assigned to a gas well, the amount being governed by the well location.

The formation of a 240-acre non-standard proration unit with your Weir Lease, Well No. 4, located 1980 feet from the North line and 1980 feet from the West line is contrary to the provisions of this rule.

On February 16, 1955, this Commission will hold hearings directed to you as operator for you to show cause why the acreage assigned your Weir Well No. 4, SE/4 NW/4 Section 35, Township 19 South, Range 36 East, NMPM, Eumont Gas Pool, should not be reduced to 160 acres in accordance with the provisions of Paragraph 3 of Rule 5-a of Order R-520. The description of this 160-acre unit is as follows:

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

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Section 35, Township 19 South, Range 36 East
NW/4

This proposed reduction would be effective March 1, 1955. You will of course be afforded the opportunity to present any testimony or evidence to support the formation of the proration unit as it now exists.

This letter is being directed to you so that you can prepare your case, if you so desire. A copy of the advertisement will be mailed to you when available.

Very truly yours,

W. B. MACEY,
Secretary-Director

WBM/ir

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 8, 1954

Amerada Petroleum Corporation
P. O. Box 2040
Tulsa 2, Oklahoma

Attention: Mr. D. C. Capps

Administrative Order NSP-34

Gentlemen:

Reference is made to your application for approval of a 240-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the following acreage:

Twp. 19 South, Range 36 East, NMPM
W/2, SW/4 and NW/4 of Section 35.

It is understood that this unit is to be ascribed to your Weir Well No. 4, located in the SE/4 of the NW/4 of Section 35, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Eumont Gas Pool, as set forth in Order R-520, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 240 acres.

Very truly yours,

A. B. Macey
Secretary - Director

WBM:gh

cc: Oil Commission, Hobbs
NM Oil & Gas Comm., Hobbs

AMERADA PETROLEUM CORPORATION
P. O. BOX 2040
TULSA 2, OKLAHOMA

MEMORANDUM

TO: THE NEW MEXICO OIL CONSERVATION COMMISSION

Drawer D
Monument, New Mexico
November 1, 1954

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Re: Application For Exception to Rule
5 (a) of Order No. 4-520 for
Amerada Weir No. 4, Monument Gas Pool

Gentlemen:

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

- (a) That Amerada Petroleum Corporation Weir No. 4 located in the SE/4 of the NW/4 of Section 35, Township 19-S, Range 36-E was dually completed May 10, 1953.
- (b) That the subject well is producing gas from the Monument Gas Pool and is assigned a non-standard gas proration of 160 acres.
- (c) That the applicant proposes to increase the gas unit size from 160 to 240 acres by including the W/2 of the SE/4 of Section 35, Township 19-S, Range 36-E with the present 160 acre gas unit which is the NW/4 of the same section.
- (d) That the proposed non-standard gas proration unit consists of contiguous quarter - quarter sections.
- (e) That the proposed non-standard gas proration unit lies wholly within a single governmental section.
- (f) That the proposed non-standard gas proration unit may reasonably be presumed to be productive of gas.
- (g) That the proposed non-standard gas proration unit does not exceed 3280 feet in length or width.
- (h) That by copy of said Order No. 4-520 the factors governing proration (1) in the subject section and (2) within 1500 feet of the subject well shall be applied to the proposed gas proration unit.

Therefore, Anacada Petroleum Corporation requests that through provisions of Rule 5 (b) of Order No. R-520, the Secretary of the Oil Conservation Commission approve the subject non-standard gas proration unit as proposed in this application.

Respectfully submitted,
ABRAHAM FRANKLIN CONNORSON

cc: K. C. Capps
K. C. Capps
District Superintendent

DCC/AGA/gr

cc: Sun Oil Company
Box 1001
Midland, Texas

Gulf Oil Corporation
Box 1667
Hobbs, New Mexico

Shell Oil Company
Box 1957
Hobbs, New Mexico

American Petroleum Corporation
Box 517
Artesia, New Mexico

NEW MEXICO
OIL CONSERVATION COMMISSION

Gas Well Plat

Date 11-2-54

Amerada Petroleum Corporation Weir
Operator Lease Well No.

Name of Producing Formation Seven Rivers- Queen Pool Burton

No. Acres Dedicated to the Well 240

SECTION 35 TOWNSHIP 19-S RANGE 36-E

Amerada		Sun	Gulf
8 •	6 •	6 •	1 •
			Weir
			Sun
5 •	4 *	5 •	3 •
	American Republic		
3 •	2 •	4 •	1 •
			Shell
1 •	1 •	2 •	1 •
Weir	Harvey	Harvey	Harvey

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

Name D. C. Campbell
Position District Sales Agent
Representing Amerada Petroleum Corp.
Address Denver 4, Colorado, New Mexico

(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.