Entered June 8, 19>>

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

CASE NO. 5935 Order No. R-5448

APPLICATION OF UNION TEXAS PETROLEUM FOR A NON-STANDARD PRORATION UNIT AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 25, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 8th day of June, 1977, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Union Texas Petroleum, seeks approval of a 320-acre non-standard gas proration unit comprising the E/2 W/2 and W/2 E/2 of Section 7, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, to be simultaneously dedicated to applicant's Britt Wells Nos. 3 and 12 located at unorthodox locations in Units G and C of said Section 7, respectively.
- (3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Eumont Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid wells.
- (4) That Commission administrative order NSP-11 should be superseded.
- (5) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Eumont Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive

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number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That a 320-acre non-standard gas proration unit in the Eumont Gas Pool comprising the E/2 W/2 and W/2 E/2 of Section 7, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Union Texas Petroleum Corporation Britt Wells Nos. 3 and 12, located at unorthodox locations in Units G and C of said Section 7, respectively.
- (2) That Commission administrative order NSP-11 is hereby superseded.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY CARNOLD Member

JOE D. RAMEY, Member & Secretary

SEAL