

Entered October 25, 1977
JGR

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. 6041
Order No. R-5549

APPLICATION OF GULF OIL CORPORATION
FOR AN UNORTHODOX LOCATION, 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 September 28, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of October, 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, Gulf Oil Corporation, seeks approval of an unorthodox gas well location for its Harry Leonard NCT-A Well No. 12 located in Unit P of Section 22, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That applicant further proposes to simultaneously dedicate the above-described well to a previously approved 480-acre non-standard proration unit comprising the SW/4 and E/2 of said Section 22 which is presently dedicated to applicant's Harry Leonard NCT-A Wells Nos. 3 and 7, located, respectively, in Units B and M of said Section 22.

(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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 number of wells, and will otherwise prevent waste and protect correlative rights.

-2-

Case No. 6041
Order No. R-5549

(5) That Commission Order NSP-944, dated April 4, 1974, which previously approved the subject unit, should be superseded.

IT IS THEREFORE ORDERED:

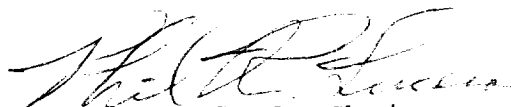
(1) That an unorthodox gas well location for the Gulf Oil Corporation Harry Leonard NCT-A Well No. 12 located in Unit P of Section 22, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, is hereby approved, said well to be simultaneously dedicated with applicant's Harry Leonard NCT-A Wells Nos. 3 and 7, located in Units B and M, respectively, of said Section 22, to a previously approved 480-acre multiple well non-standard proration unit comprising the SW/4 and E/2 of said Section 22.

(2) That Commission Order NSP-944 is hereby superseded.

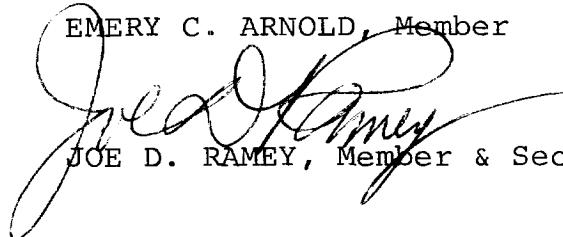
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

jr/