Entered March 21, 1956

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. 873 Order No. R-758

THE APPLICATION OF N. B. HUNT FOR AN ORDER GRANTING APPROVAL OF AN EXCEPTION PURSUANT TO RULE 5 (a) OF THE SPECIAL RULES AND REGULATIONS OF THE EUMONT GAS POOL AS SET FORTH IN ORDER R-520 IN ESTABLISHMENT OF A NON-STANDARD GAS PRORATION UNIT OF 240 CONTIGUOUS ACRES CONSISTING OF THE NW/4 AND THE W/2 NE/4 OF SECTION 21, TOWNSHIP 21 SOUTH, RANGE 37 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 April 20, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission."

NOW, on this day of March 1956, 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 the provisions of Rule 5 (a) of the Special Rules and Regulations of the Eumont Gas Pool, as contained in Order 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, N. B. Hunt, 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 21 SOUTH, RANGE 37 EAST, NMPM NW/4 & W/2 NE/4 of Section 21

containing 240 acres, more or less.

- (4) That applicant, N. B. Hunt, has a producing well on the aforesaid lease known as N. B. Hunt's Mittie Weatherly Well No. 1, located 1980 feet FNL and 660 feet FWL of said Section 21, Township 21 South, Range 37 East, Lea County, New Mexico.
- (5) That the aforesaid well was in production prior to the effective date of Order R-520 and is located within the horizontal limits of the pool heretofore delineated and designated as the Eumont Gas Pool.
- That it is impractical to pool applicant's (6) aforesaid lease with adjoining acreage in the Eumont Gas Pool, and that 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 the 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 N. B. Hunt for approval of a non-standard gas proration unit in the Eumont Gas Pool consisting of the following described acreage:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM NW/4 & W/2 NE/4 of Section 21

be and the same is hereby approved and a proration unit consisting of 240 acres be and the same is hereby created effective April 1, 1956.

(2) That applicant's well, Mittie N. Weatherly Well No. 1, located in the SW/4 of the NW/4 of Section 21, Township 21 South, Range 37 East, NMPM, in the Eumont Gas Pool, be and the same is hereby granted an allowable effective April 1, 1956, in the proportion that the above described 240 acre unit bears to the standard unit for said pool, all until further order of the Commission.

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

> STATE OF NEW MEXICO OLL GONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

SEAL