

110.

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. 1097
Order No. R-854

THE APPLICATION OF HUMBLE OIL
AND REFINING COMPANY FOR AN
ORDER GRANTING APPROVAL OF AN
EXCEPTION PURSUANT TO RULE 5 (a)
OF THE SPECIAL RULES AND REGULA-
TIONS FOR THE EUMONT GAS POOL
AS SET FORTH IN ORDER R-520 IN
ESTABLISHMENT OF A NON-STANDARD
GAS PRORATION UNIT OF 320 CONTIGUOUS
ACRES CONSISTING OF S/2 SECTION 29,
TOWNSHIP 21 SOUTH, RANGE 36 EAST,
NMPM, LEA COUNTY, NEW MEXICO, AND
FOR THE POOLING OF INTERESTS THEREIN
AS TO THE GAS RIGHTS WITHIN THE VER-
TICAL LIMITS OF THE EUMONT GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. , on July 11, 1956, at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", in accordance with Rule 1214 of the Commission's Statewide Rules and Regulations.

NOW, on this _____ day of August, 1956, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Warren W. Mankin, 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 set forth in 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, Humble Oil and Refining Company is the owner of state oil and gas leases in Lea County, New Mexico, a portion of which consists of other than a legal section and described as follows, to wit:

Case No. 1097
Order No. R-854

Township 21 South, Range 36 East, NMPM
S/2 of Section 29

containing 320 acres, more or less.

(4) That applicant, Humble Oil and Refining Company, has a producing well on the aforesaid acreage previously known as State "B" No. 7 and now known as the Eumont Gas Unit No. 2 Well No. 1, located 1980 feet from the South line and 660 feet from the East line of said Section 29.

(5) That applicant has in good faith unsuccessfully attempted to voluntarily pool all royalty interests in aforesaid acreage.

(6) That denial by the Commission to pool the properties so requested in the application would deprive or tend to deprive the owner of such tract of the opportunity to recover its just and equitable share of the crude petroleum or natural gas or both in the pool.

(7) That creation of a proration unit consisting of the aforesaid acreage and the pooling of all interests therein will not cause but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of the Humble Oil and Refining Company for approval of a non-standard gas proration unit in the Eumont Gas Pool consisting of the following described acreage, Lea County, New Mexico:

Township 21 South, Range 36 East, NMPM
S/2 of Section 29

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


(2) That applicant's well, Eumont Gas Unit No. 2 Well No. 1, located in the NE/4 SE/4 of said Section 29, shall be granted an allowable in the proportion that the above described 320-acre unit bears to the standard proration unit for the Eumont Gas Pool.

(3) That the following described properties are hereby pooled to constitute a 320-acre drilling and proration unit for the gas and associated hydrocarbons within the vertical limits of the Eumont Gas Pool:


Township 21 South, Range 36 East, NMPM
S/2 of Section 29

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


John F. Simms, Chairman


E. S. Walker, Member


A. L. Porter, Jr., Member & Secretary