

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. 900  
Order No. R-657

THE APPLICATION OF STANOLIND OIL  
AND GAS COMPANY FOR AN ORDER  
GRANTING APPROVAL OF AN EXCEPTION  
PURSUANT TO RULE 5 (a) OF THE SPECIAL  
RULES AND REGULATIONS OF THE EUMONT  
GAS POOL OF ORDER NO. R-520 IN THE  
ESTABLISHMENT OF A 360-ACRE NON-  
STANDARD GAS PRORATION UNIT, CONSISTING  
OF THE SE/4, E/2 SW/4, S/2 NE/4, SE/4 NW/4  
IN SECTION 33, TOWNSHIP 20 SOUTH, RANGE  
37 EAST, NMPM, LEA COUNTY, NEW MEXICO,  
TO BE ASSIGNED TO THE O. J. GILLULLY "B"  
WELL NO. 3.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m., on May 18, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 14<sup>th</sup> day of July 1955, the Commission, a quorum being present, having considered the record 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 the subject matter thereof.

(2) That pursuant to the provisions of Rule 5 (a) of the Special Rules and Regulations for 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, Stanolind Oil and Gas Company, 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:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM  
SE/4, E/2 SW/4, S/2 NE/4, and SE/4 NW/4  
of Section 33

containing 360 acres, more or less.

(4) That applicant, Stanolind Oil and Gas Company, has a producing well on the aforesaid lease known as the O. J. Gillully "B" Well No. 3, located 660 feet from the South line and 1980 feet from the West line of Section 33, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That the aforesaid well is completed within the horizontal and vertical limits of the Eumont Gas Pool, as defined and delineated in Order No. R-520.

(6) 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 natural gas in the Eumont Gas Pool.

(7) 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 Stanolind Oil and Gas Company, for approval of an unorthodox or non-standard gas proration unit consisting of the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM  
SE/4, E/2 SW/4, S/2 NE/4, and SE/4 NW/4 of Section 33

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

2. That applicant's well, the O. J. Gillully "B" Well No. 3, located in the SE/4 SW/4 of Section 33, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 360-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 on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John F. Simms*  
JOHN F. SIMMS, Chairman

*E. S. Walker*  
E. S. WALKER, Member

*W. B. Macey*  
W. B. MACEY, Member and Secretary

