

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 CON-
SIDERING:

CASE NO. 752
Order No. R-527-A

THE APPLICATION OF THE OHIO OIL
COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT
TO RULE 7 (a) OF ORDER NO. R-370-A IN
ESTABLISHMENT OF AN UNORTHODOX GAS
PRORATION UNIT OF 160 CONTIGUOUS ACRES
CONSISTING OF S/2 N/2 OF SECTION 9, TOWN-
SHIP 20 SOUTH, RANGE 37 EAST, NMPM, LEA
COUNTY, NEW MEXICO, IN WHAT IS NOW
DELINEATED AS THE EUMONT GAS POOL UNDER
THE PROVISIONS OF ORDER NO. R-520.

NUNC PRO TUNC ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on August 18, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

Thereafter, on the 4th day of October, 1954, the Commission entered its Order R-527 approving the unorthodox proration unit as prayed for in the said application.

NOW, on this 20th day of November, 1954, the Commission, a quorum being present, having considered the records and testimony adduced, having also considered more particularly certain portions of the record, and finding that certain matters which were omitted in Order R-527 should be expressly recited in this cause, it enters herewith its nunc pro tunc order supplementing and amending said Order R-527. The Commission, 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 provisions of Rule 7 (a) of Order No. R-370-A, and Order R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

(3) That applicant, The Ohio Oil Company, is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
S/2 N/2 of Section 5

containing 160 acres, more or less.

(4) That applicant, The Ohio Oil Company, has a producing well on the aforesaid lease known as W. H. Laughlin No. 3 located 1980 feet from the North line and 1980 feet from the East line of Section 9, Township 20 South, Range 37 East, and that applicant has declared that it desires to dually complete said well on the above described land instead of re-completing its W. H. Laughlin Well No. 4 thereon.

(5) That the aforesaid well No. 3 was completed in the Monument Oil Pool and was in production from that pool long prior to January 1, 1954, the effective date of Order R-370-A; that the said well is located within the boundaries of the pool heretofore delineated and designated as the Eumont Gas Pool; and that by Order No. DC-143 the Commission has heretofore authorized the dual completion of said well within the limits of the Eumont Gas Pool and the Monument Oil Pool.

(6) That it is impossible to pool applicant's said lease with adjoining acreage in Section 9 and that the owners of adjoining acreage in said section have not objected to the formation of the proposed proration unit of 160 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 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 The Ohio Oil Company for approval of an unorthodox proration unit consisting of the following described acreage:

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S/2 N/2 Section 9

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

(2) That in lieu of approval of re-completion of applicant's W. H. Laughlin Well No. 4, applicant is hereby authorized to dually complete its W. H. Laughlin Well No. 3 in accordance with and subject to the provisions of Order No. DC-143 entered by this Commission August 6, 1954, and that upon such dual completion the said W. H. Laughlin Well No. 3, located in

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the SW/4 NE/4 of Section 9, Township 20 South, Range 37 East, NMPM, shall be granted an allowable in the proportion that the above described 160 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, the day and year hereinabove designated.

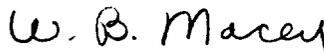
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



W. B. MACEY, Member and Secretary

