

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 24, 1955

Mr. Ross Malone  
200 West First  
Roswell, New Mexico

Dear Sir:

In behalf of your client, Gulf Oil Corporation, we  
enclose a copy of Order R-678 issued in Case 918 and dated  
August 17, 1955.

Very truly yours,

W. B. Macey  
Secretary - Director

WBM:brp

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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. 918  
Order No. R-678

THE APPLICATION OF GULF OIL  
CORPORATION FOR AN ORDER  
GRANTING APPROVAL OF AN  
EXCEPTION PURSUANT TO RULE 5 (a)  
OF THE SPECIAL RULES AND REGULATIONS  
OF THE JALMAT GAS POOL OF ORDER NO.  
R-520 IN ESTABLISHMENT OF A NON-  
STANDARD GAS PRORATION UNIT OF 280  
CONTIGUOUS ACRES CONSISTING OF N/2  
S/2, S/2 SE/4, SE/4 SW/4 of SECTION 16,  
TOWNSHIP 25 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 July 14, 1955 at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission."

NOW, on this 17<sup>th</sup> day of August, 1955 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 applicant, Gulf Oil Corporation 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 25 SOUTH, RANGE 37 EAST, NMPM  
N/2 S/2, S/2 SE/4, SE/4 SW/4 of Section 16

containing 280 acres, more or less.

(3) That applicant, Gulf Oil Corporation, has a producing well on the aforesaid lease known as Arnott Ramsey "E" Well No. 2, located 660 feet from the South line and 1980 feet from the East line of Section 16, Township 25 South, Range 37 East, NMPM, Lea County, New

(4) That the aforesaid well was completed and in production on February 14, 1940 which was prior to the effective date of Order No. R-520, and is located within the horizontal and vertical limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.

(5) That only the Leonard Oil Company has expressed an objection to granting of application but has failed to show sufficient cause as to why application should not be granted.

(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 the natural gas in the Jalmat Gas Pool.

(7) 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 Gulf Oil Corporation for approval of a non-standard proration unit consisting of the following described acreage:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
N/2 S/2, S/2 SE/4, SE/4 SW/4 of Section 16

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

(2) That applicant's well, Arnott Ramsey "E" Well No. 2, located in the SW/4 SE/4 of Section 16, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 280 acre unit bears to the standard 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

