

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. 1095
Order No. R-850

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 FOR THE EUMONT GAS
POOL AS SET FORTH IN ORDER R-520
IN ESTABLISHMENT OF A NON-STANDARD
GAS PRORATION UNIT OF 120 CONTIGUOUS
ACRES CONSISTING OF SW/4 SW/4 OF
SECTION 4 AND THE W/2 OF THE NW/4 OF
SECTION 9, TOWNSHIP 21 SOUTH, RANGE
36 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 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 15th day of August, 1956, the Commission, a quorum being present, having considered said 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 a notice and hearing by the Commission.

(3) That applicant, Gulf Oil Corporation, are the owners 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:

Township 21 South, Range 36 East, NMPM
SW/4 SW/4 of Section 4
W/2 NW/4 of Section 9

containing 120 acres, more or less.

(4) That applicant, Gulf Oil Corporation, has a producing well on the aforesaid property known as Bell-Ramsay "A" Well No. 5, located 660 feet from the South and West lines of said Section 4.

(5) That the royalty is of common interest throughout, being that of the State of New Mexico.

(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 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 Gulf Oil Corporation for approval of a non-standard gas proration unit in the Eumont Gas Pool consisting of the following described acreage in Lea County, New Mexico:

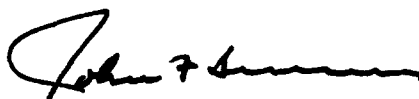
Township 21 South, Range 36 East, NMPM
SW/4 SW/4 of Section 4
W/2 NW/4 of Section 9

consisting of 120 acres be and the same is hereby approved and a proration unit consisting of aforesaid acreage is hereby granted.


(2) That applicant's Bell-Ramsay "A" Well No. 5, located 660 feet from the South and West lines of Section 4, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 120 acres bears to the standard proration unit of the Eumont Gas 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, Chairman


E. S. WALKER, Member


A. L. PORTER, JR., Member and Secretary

