

Entered August 1, 1958  
O.P.

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. 1470  
Order No. R-1226

APPLICATION OF PHILLIPS PETROLEUM  
COMPANY FOR A 320-ACRE NON-STANDARD  
GAS PRORATION UNIT IN THE EUMONT  
GAS POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 11, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 Rules and Regulations.

NOW, on this 29<sup>th</sup> day of July, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Phillips Petroleum Company, is the operator of the N/2 of Section 12, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the operator of the Monument Well No. 1, located 1977 feet from the North line and 660 feet from the East line of said Section 12.

(4) That the applicant proposes the establishment of a 320-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the above-described acreage, to be dedicated to the aforementioned Monument Well No. 1.

(5) That the gas-oil contact in the Penrose member of the Queen formation passes directly through the NW/4 of said Section 12 in a North-South direction, and accordingly the W/2 NW/4 of Section 12 cannot reasonably be presumed to be productive of gas.

(6) That the probability that Eumont oil will migrate up-structure into the dry gas sands, thereby causing a reduction in the ultimate recovery of oil from the Eumont Gas Pool, will be increased by the production of a 320-acre allowable from the aforementioned well.

(7) That the said Monument Well No. 1 should be assigned a 240-acre non-standard gas proration unit instead of a 320-acre unit, said 240-acre unit to comprise the NE/4 and the E/2 NW/4 of said Section 12.

IT IS THEREFORE ORDERED:

(1) That the application of Phillips Petroleum Company for the establishment of a 320-acre non-standard gas proration unit in the Eumont Gas Pool to consist of the N/2 of Section 12, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico, and to be dedicated to the applicant's Monument Well No. 1, located 1977 feet from the North line and 660 feet from the East line of said Section 12, be and the same is hereby denied.

(2) That a 240-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the NE/4 and the E/2 NW/4 of said Section 12, be and the same is hereby established, said unit to be dedicated to the aforementioned Monument Well No. 1.

(3) That the said Monument Well No. 1 be assigned an allowable in the proportion that the acreage in the non-standard gas proration unit established above bears to the acreage in a standard gas proration unit for the Eumont Gas Pool, subject to the provisions of the Special Rules and Regulations for the Eumont Gas Pool, as set forth in Order No. R-520.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
EDWIN L. MECHEM, Chairman

  
MURRAY E. MORGAN, Member

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

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