

*Entered September 11, 1959
A.L.D.*

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. 1683
Order No. R-1487

APPLICATION OF GULF OIL CORPORA-
TION FOR AN ORDER FORCE-POOLING
THE EUMONT GAS INTERESTS IN THE
N/2 AND THE SE/4 OF SECTION 19,
TOWNSHIP 19 SOUTH, RANGE 37 EAST,
LEA COUNTY, NEW MEXICO, TO FORM
A 477-ACRE NON-STANDARD GAS PRO-
RATION UNIT IN THE EUMONT GAS
POOL

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on August 19, 1959, 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 14th day of September, 1959, 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, Gulf Oil Corporation, is the operator of the N/2 and the SE/4 of Section 19, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico, and is the owner and operator of the B. V. Culp "A" Well No. 3, located in the SE/4 NW/4 of said Section 19.

(3) That the applicant seeks an order force-pooling said N/2 and SE/4 of Section 19 as a 477-acre non-standard Eumont gas proration unit.

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(4) That all parties owning working interests in the above-described acreage have agreed to communitization, as have a majority of the parties owning royalty interests and contingent interests.

(5) That the applicant has made diligent efforts to communitize all royalty interests in the above-described 477-acre unit for the Eumont Gas Pool, but has been unable to obtain the consent of all persons owning such royalty interest in said 477-acre unit.

(6) That all parties owning an interest in the above-described acreage were given actual notice of the hearing in this case and that the Commission has received no objection to the approval of the subject application.

(7) That it is impractical to form a standard unit in the Eumont Gas Pool by combining the acreage in question with adjacent acreage because all surrounding property is presently dedicated to other Eumont gas wells.

(8) That accordingly, the enforcement of a uniform spacing pattern would tend to deprive the owners of the tract the opportunity to recover their just and equitable share of Eumont gas underlying the 477-acre tract.

(9) That the most efficient and orderly development of the subject acreage can be accomplished by force-pooling the N/2 and the SE/4 of said Section 19 to form a 477-acre non-standard gas proration unit in the Eumont Gas Pool, and that such an order should be entered.

IT IS THEREFORE ORDERED:

(1) That the interests of all persons having the right to drill for, produce, or share in the production of dry gas and associated liquid hydrocarbons, or either of them, from the Eumont Gas Pool underlying the N/2 and the SE/4 of Section 19, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same are hereby pooled, said unit to be dedicated to Gulf Oil Corporation's B. V. Culp "A" Well No. 3, located in the SE/4 NW/4 of said Section 19, and that Gulf Oil Corporation be and the same is hereby designated as the operator of said pooled unit.

(2) That as prescribed in the Gas Pooling Agreement for the B. V. Culp (NCT-A) Eumont Gas Unit No. 1, the production from the above-described pooled 477-acre non-standard unit be allocated to each tract in the unit in the proportion that the acreage interest contained in each of the tracts bears to the entire surface acreage of said unit.

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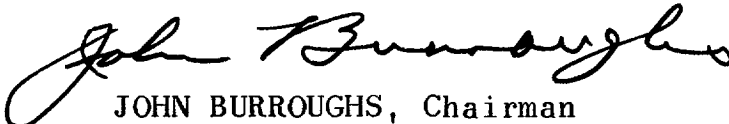
(3) That the allowable assigned to the above-described 477-acre non-standard gas proration unit shall bear the same ratio to a standard allowable in the Eumont Gas Pool as the acreage in said unit bears to the acreage in a standard unit in the Eumont Gas Pool.

(4) That the effective date of this order shall be the first day of the month following the month in which the Commission is notified that the subject well has been brought into balance.


(5) That Administrative Order NSP-256 shall be cancelled as of the effective date of this order.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

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