BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 1944 Order No. R-1663

APPLICATION OF GREAT WESTERN DRILLING COMPANY FOR ESTABLISH-MENT OF A 200-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 April 27, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, 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 <u>9th</u> day of May, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 by virtue of a communitization agreement, the applicant, Great Western Drilling Company, is the operator of a 200-acre tract in the Eumont Gas Pool consisting of the E/2 NE/4 of Section 32 and the E/2 NW/4 and NW/4 NW/4 of Section 33, all in Township 19 South, Range 37 East, Lea County, New Mexico.

(3) That the applicant proposes that the above-described 200-acre tract be established as a non-standard gas proration unit in the Eumont Gas Pool and that it be dedicated to the Bordages Well No. 1, located 330 feet from the North line and 270 feet from the West line of said Section 33.

(4) That the above-described 200-acre tract can reasonably be presumed to be productive of gas from the Eumont Gas Pool.

(5) That establishment of the above-described 200-acre non-standard gas proration unit in the Eumont Gas Pool will

-2-CASE No. 1944 Order No. R-1663

neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 200-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the E/2 NE/4 of Section 32 and the E/2 NW/4 and NW/4 NW/4 of Section 33, all in Township 19 South, Range 37 East, Lea County, New Mexico, be and the same is hereby established. Said unit to be dedicated to the applicant's Bordages Well No. 1, located 330 feet from the North line and 270 feet from the West line of said Section 33.

(2) That the allowable assigned to the above-described 200-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 gas proration unit in the Eumont Gas Pool.

(3) That this order shall become effective on May 1, 1960; provided however, that if the said Bordages Well No. 1 is not substantially in balance on May 1, 1960, this order shall become effective on the first day of the month following the month in which the well has been brought substantially in balance. The applicant shall notify the Proration Manager, Hobbs, New Mexico, as soon as possible after the subject well is brought into balance.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

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MURRAY E. MORGAN, Member

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

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