E. 1. 1765

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. 2676 Order No. R-2374-A

APPLICATION OF GULF OIL CORPORATION FOR AN UNORTHODOX LOCATION, DUAL COMPLETION, AND NON-STANDARD PRORATION UNIT, 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 28, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of May, 1965, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 this case has been reopened to reconsider the applicant's request to dedicate the S/2 NW/4 of Section 23, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, to its Lillie Well No. 3 located 2310 feet from the North line and 330 feet from the West line of said Section 23 as a standard 80-acre proration unit in the Fowler-Ellenburger Pool and to receive an 80-acre allowable for said well.
- (3) That by Order No. R-2374, dated November 21, 1962, the Commission approved a 40-acre non-standard oil proration unit consisting of the SW/4 NW/4 of Section 23, Township 24 South, Range 37 East, NMPM, Fowler-Ellenburger Pool, Lea County, New Mexico, and dedicated said unit to the subject well.
- (4) That by Order No. R-2374, dated November 21, 1962, the Commission assigned one-half the normal 80-acre unit allowable

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for the Fowler-Ellenburger Pool to the 40-acre non-standard proration unit.

- (5) That subsequent development in the Fowler-Ellenburger Pool has established the productivity of the entire S/2 NW/4 of said Section 23.
- (6) That approval of the applicant's request for the proposed 80-acre proration unit and 80-acre allowable will afford the applicant the opportunity to produce its just and equitable share of the oil in the Fowler-Ellenburger Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That an 80-acre proration unit in the Fowler-Ellenburger Pool comprising the S/2 NW/4 of Section 23, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Gulf Oil Corporation Lillie Well No. 3 located 2310 feet from the North line and 330 feet from the West line of said Section 23.
- (2) That a normal 80-acre unit allowable for the Fowler-Ellenburger Pool is hereby assigned to the 80-acre proration unit set out above.
- (3) That Order No. R-2374, dated November 21, 1962, is hereby superseded insofar as said order is inconsistent with this order.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO

QLŁ CONSERWATION COMMISSION

JACK M. CAMPBELI, Chairman

Huylon B. Hays, Member

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

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