

*Entered December 5, 1962
A.S.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. 2676
Order No. R-2374

APPLICATION OF GULF OIL CORPORATION
FOR AN UNORTHODOX LOCATION, DUAL
COMPLETION, AND NON-STANDARD PRORA-
TION 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 October 24, 1962, 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 21st day of November, 1962, 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 the applicant, Gulf Oil Corporation, seeks permission to complete its Lillie Well No. 3, located 2310 feet from the North line and 330 feet from the West line of Section 23, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Fowler-Fusselman Pool through 2 1/2-inch tubing and from the Fowler-Ellenburger Pool through a parallel string of 2-inch tubing, separation of the zones to be achieved by means of a packer set at approximately 9575 feet.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(4) That the applicant further seeks approval of a non-standard location in the Fowler-Ellenburger Pool as its Lillie Well No. 3 is not located within 150 feet of the center of either the northwest or southeast quarter of a governmental quarter

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section and therefore will not comply with the well location requirements of the Special Rules and Regulations governing the Fowler-Ellenburger Pool.

(5) That the applicant proposes to dedicate the SW/4 NW/4 of Section 23, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, to the subject well as a non-standard oil proration unit in the Fowler-Ellenburger Oil Pool.

(6) That the Commission has taken administrative notice of the evidence presented to the Commission in Case No. 2556 concerning productive acreage in Section 23, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(7) That the evidence establishes that the SW/4 NW/4 of Section 23, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is productive of oil from the Fowler-Ellenburger Oil Pool.

(8) That approval of the subject application will prevent economic loss caused by the drilling of unnecessary wells, and will not impair correlative rights provided the SW/4 NW/4 of Section 23, Township 24 South, Range 37 East is dedicated to the Lillie Well No. 3, and provided one-half the normal 80-acre unit allowable is assigned thereto.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized to complete its Lillie Well No. 3, located 2310 feet from the North line and 330 feet from the West line of Section 23, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Fowler-Fusselman Pool through 2 1/2-inch tubing and from the Fowler-Ellenburger Pool through a parallel string of 2-inch tubing, separation of the zones to be achieved by means of a packer set at approximately 9575 feet.

(2) That the applicant, Gulf Oil Corporation, is hereby authorized to complete its Lillie Well No. 3 in the Fowler-Ellenburger Pool at a non-standard location for said pool 2310 feet from the North line and 330 feet from the West line of Section 23, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That 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, is hereby approved and dedicated to the Lillie Well No. 3 located 2310 feet from the North line and 330 feet from the West line of said Section 23.

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(4) That one-half the normal 80-acre unit allowable for the Fowler-Ellenburger Pool is hereby assigned to the 40-acre non-standard proration unit set out above.

(5) 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
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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

S E A L

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