

Entered February 8, 1963
C.L.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. 2736
Order No. R-2415

APPLICATION OF GULF OIL CORPORATION
FOR A NON-STANDARD GAS 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 January 23, 1963, 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 1st day of February, 1963, 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 the establishment of a 120-acre non-standard gas proration unit in the Blinebry Gas Pool, comprising the N/2 SW/4 and SE/4 NW/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, said unit to be dedicated to the Scarborough Estate Well No. 4 located in Unit F of said Section 31.

(3) That inasmuch as the proposed non-standard unit does not lie wholly within a single governmental quarter section it will not meet the requirements of Commission Order No. R-1670 and cannot be granted by administrative approval.

(4) That by Administrative Order NSP-575, dated October 30, 1961, and by Administrative Order NSP-598, dated May 21, 1962, the Commission granted administrative approval of non-standard units for said well which did not lie wholly within a single governmental quarter section.

(5) That the evidence establishes that although non-standard gas proration units which did not lie wholly within a

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single governmental quarter section were approved for the subject well and the applicant received an allowable based on these non-standard units, correlative rights have not been violated and no waste has occurred.

(6) That the non-standard proration units approved by Administrative Orders NSP-575 and NSP-598 should be retroactively approved as of the date of their issuance.

(7) That the subject application should be approved and all prior orders establishing non-standard proration units dedicated to the Scarborough Estate Well No. 4 should be superseded.

IT IS THEREFORE ORDERED:

(1) That a 120-acre non-standard gas proration unit in the Blinebry Gas Pool is hereby established, comprising the N/2 SW/4 and SE/4 NW/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico. Said unit shall be dedicated to the Scarborough Estate Well No. 4 located in Unit F of said Section 31.

(2) That the non-standard proration units approved by Administrative Orders NSP-575 and NSP-598 are hereby approved, effective the date of their issuance.

(3) That all prior orders establishing non-standard proration units dedicated to the Scarborough Estate Well No. 4, including Administrative Orders NSP-575 and NSP-598, are hereby superseded.

(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
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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

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