Entered September 16, 1976 JAR

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. 5747 Order No. R-5280

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR A NON-STANDARD GAS PRORATION UNIT, AN UNORTHODOX LOCATION AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 1, 1976, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 16th day of September, 1976, 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 the applicant, Atlantic Richfield Company, is the operator of a previously established 185-acre non-standard Eumont gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks to simultaneously dedicate to said non-standard unit its State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 19, and its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the West line of said Section 19.

(4) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool and will otherwise prevent waste and protect correlative rights.



-2-Case No. 5747 Order No. R-5280

(6) That Commission Order No. R-594, dated February 28, 1955, which approved the aforesaid non-standard proration unit dedicated to the State "F" DE Well No. 3 only, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate a previously established 185-acre non-standard gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 19, and to its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the West line of said Section 19.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 320 acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) That Commission Order No. R-594 is 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

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PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member RAMEY, Mento Member & Secretary

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