

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. 876
Order No. R-643

THE MATTER OF THE APPLICATION
OF SINCLAIR OIL AND GAS COMPANY
FOR APPROVAL OF A 200-ACRE NON-
STANDARD GAS PRORATION UNIT
CONSISTING OF THE NE/4 NE/4 OF
SECTION 33 AND THE NW/4 OF SECTION
34, TOWNSHIP 19 SOUTH, RANGE 37 EAST,
NMPM, LEA COUNTY, NEW MEXICO, TO
BE ASSIGNED TO APPLICANT'S J. H.
WILLIAMS NO. 3 WELL, LOCATED 1980
FEET FNL AND 660 FEET FWL OF SAID
SECTION 34, IN THE EUMONT GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 20, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 15th day of June, 1955, the Commission, a quorum being present, having considered the record and the testimony adduced, and being fully advised in the premises,

FINDS:

- (1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
- (2) That the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.
- (3) That applicant, Sinclair Oil and Gas Company, is the owner of oil and gas leases in Lea County, New Mexico, which leases cover land consisting of other than a legal section and described as follows:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM
Section 33: NE/4 NE/4
Section 34: NW/4

containing 200 acres, more or less.

[Handwritten signature and initials]
WBM

(4) That applicant, Sinclair Oil and Gas Company, has a producing gas well on the aforementioned lease, which well is known as Sinclair Oil and Gas Company's J. H. Williams Well No. 3, which well is located 1980 feet FNL and 660 feet FWL of Section 34, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That aforesaid well is situated within the horizontal limits of the Eumont Gas Pool as presently defined.

(6) That aforesaid well was completed as a gas well in the Eumont Gas Pool on January 17, 1954, and is producing from within the vertical limits of the Eumont Gas Pool as set out in Commission Order R-520.

(7) That it is impractical to pool applicant's aforesaid acreage with adjoining acreage in Sections 33 and 34, and that the owners of adjoining acreage have not objected to the formation of the proposed unit.

(8) That the acreage to be included in the proposed proration unit is reasonably presumed to be productive of gas from the Eumont Gas Pool.

(9) That unless a proration unit consisting of applicant's aforesaid acreage is approved and assigned to applicant's J. H. Williams Well No. 3, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool.

(10) That the creation of a proration unit as described herein and the assignment of said unit to the well identified above will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas proration unit consisting of the following described acreage be and the same hereby is created:

<u>TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM</u>	
Section 33:	NE/4 NE/4
Section 34:	NW/4

containing 200 acres, more or less.

(2) That, for the purposes of gas proration, the acreage included in said non-standard or unorthodox proration unit shall be assigned to Sinclair Oil and Gas Company's J. H. Williams Well No. 3, which well is located 1980 feet FNL and 660 feet FWL of Section 34, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That said well shall be granted an increased allowable dating from the first day of July, 1955, and that such increased allowable

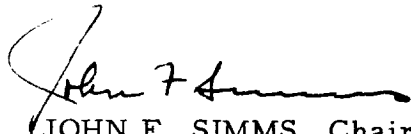
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shall be computed in accordance with the Eumont Gas Pool rules and shall be in the proportion that 200 acres bears to the acreage included in a standard or orthodox proration unit for the Eumont Gas Pool, all until further order of the Commission.

DONE at Santa Fe, New Mexico on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



W. B. MACEY, Member and Secretary

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