

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 915
Order No. R-670

THE APPLICATION OF AZTEC OIL AND
GAS COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT
TO RULE 5 (a) OF THE SPECIAL RULES AND
REGULATIONS OF THE EUMONT GAS POOL
OF ORDER NO. R-520 IN ESTABLISHMENT OF
A NON-STANDARD GAS PRORATION UNIT OF
120 CONTIGUOUS ACRES CONSISTING OF THE
SW/4 NW/4 OF SECTION 27, AND THE E/2
NE/4 OF SECTION 28, TOWNSHIP 19 SOUTH,
RANGE 37 EAST, NMPM, LEA COUNTY, NEW
MEXICO, 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 June 28, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 27th day of July, 1955, the Commission, a quorum being present, having considered the records and 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 pursuant to provisions of Rule 5 (a) of Order No. R-520, 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, Aztec Oil and Gas Company, is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal section, and described as follows, to-wit:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM
SW/4 NW/4 of Section 27 and E/2 NE/4 of Section 28

containing 120 acres, more or less.

Entered August 3, 1955
WBM

Order No. R-670

(4) That applicant, Aztec Oil and Gas Company, has a producing gas well on the aforesaid lease known as S. T. Burk No. 2, located 1980 feet from the North line and 660 feet from the East line of Section 28, Township 19 South, Range 37 East.

(5) That the aforesaid well was completed and in production prior to August 12, 1954, the effective date of Order No. R-520, and is located within the limits of the pool heretofore delineated and designated as the Eumont Gas Pool.

(6) That Gulf Oil Corporation has by written instrument waived objection to the approval of this unit.

(7) That Humble Oil and Refining Company has protested to granting of the unit in application and in lieu thereof has specifically requested that it be permitted to join in the unit proposed in this case.

(8) That in 1953, Humble Oil and Refining Company was invited by applicant to consider pooling of Humble's acreage with subject property. At that time Humble failed to take any action.

(9) That there is no showing made that Humble Oil and Refining Company will be deprived of the opportunity to recover its just and equitable share of the gas in the Eumont Gas Pool or that they will be unable to unitize with other properties still undeveloped should this application be granted.

IT IS THEREFORE ORDERED:

(1) That the application of Aztec Oil and Gas Company for approval of a non-standard proration unit consisting of the following described acreage:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM
SW/4 NW/4 of Section 27 and E/2 NE/4 of Section 28

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, S. T. Burk No. 2, located 1980 feet from the North line and 660 feet from the East line of Section 28, Township 19 South, Range 37 East, NMPM, shall be granted an allowable in the proportion that the above described 120-acre unit bears to the standard or orthodox proration unit for said 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
John F. Simms, Chairman

E. S. Walker
E. S. Walker, Member

W. B. Macey
W. B. Macey, Member and Secretary