

Entered: Nov. 20, 1956

A.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 THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1157
Order No. R-916

APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN ORDER GRANTING A
360-ACRE NON-STANDARD GAS PRORATION
UNIT IN EXCEPTION TO RULE 5 (a) OF
THE SPECIAL RULES AND REGULATIONS
FOR THE EUMONT GAS POOL AS SET FORTH
IN ORDER R-520, SAID UNIT TO COMPRISE
THE SE/4 AND E/2 SW/4 SECTION 28, AND
THE N/2 NE/4 AND THE NE/4 NW/4 SECTION
33, ALL IN TOWNSHIP 20 SOUTH, RANGE
37 EAST, NMPM, LEA COUNTY, NEW MEXICO,
AND FURTHER FOR THE FORCED POOLING OF
ALL INTERESTS THEREIN WITHIN THE VERTICAL
LIMITS OF THE EUMONT GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 26, 1956, at Hobbs, New Mexico, before Daniel S. Nutter, 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 20 day of November, 1956, the Commission, a quorum being present, having considered the application, the evidence adduced, the recommendations of the Examiner, Daniel S. Nutter, 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 applicant seeks an order pooling or communitizing the rights and interests of all persons having the right to drill for, produce or share in the production of oil or gas, or both, from the Eumont Gas Pool in and under the following described lands:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 28: SE/4, E/2 SW/4
Section 33: N/2 NE/4, NE/4 NW/4

(3) That applicant is the designated operator of the above described tract, and is authorized to make this application.

(4) That all working interests, royalty interests and overriding royalty interests in and under said lands have been communitized insofar as the Eumont Gas Pool, as presently defined, is concerned except the land-owner's royalty interest of Della Turland and Doll Turland under the NE/4 SE/4 of said Section 28, and that said parties have refused to execute a communitization agreement as to said interest.

(5) That unless all interests are pooled in the subject acreage and a 360-acre non-standard unit is granted, applicant and other owners will be deprived of an opportunity to recover their just and equitable share of the gas thereunder.

(6) That the interest of prevention of waste and the protection of correlative rights will best be served by the granting of the application for a 360-acre non-standard unit and the forced pooling of all interests thereunder.

(7) That applicant requests dedication of the aforesaid 360 acres to its Meyer B-28 "A" Well No. 2, located 660 feet from the South line and 1980 feet from the East line of Section 28, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

IT IS THEREFORE ORDERED:

That the application of the Continental Oil Company for approval of a 360-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the following described acreage in Lea County, New Mexico:

<u>TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM</u>	
Section 28:	SE/4, E/2 SW/4
Section 33:	N/2 NE/4, NE/4 NW/4

be and the same is hereby approved.

That applicant's well, Meyer B-28 "A" No. 2, located 660 feet from the South line and 1980 feet from the East line of said Section 28, be granted an allowable in accordance with Rule 12 of the Eumont Pool Rules in the proportion that the above-described 360-acre unit bears to the standard proration unit for said pool.

That all of the interests of all parties in the SE/4 and the E/2 SW/4 of Section 28, and the N/2 NE/4 and the NE/4 NW/4 Section 33, all in Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same are hereby pooled and the


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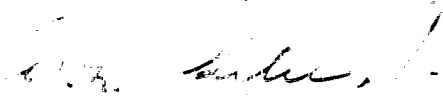
said acreage is hereby recognized as a pooled and communitized tract in the Eumont Gas Pool in Lea County, New Mexico.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


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

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