Entered Nov. 29, 1956 Q.J. 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. 1169 Order No. R-923

THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR AN ORDER GRANTING APPROVAL OF AN EXCEPTION TO RULE 5 (a) OF THE SPECIAL RULES AND REGULATIONS OF THE BLINEBRY GAS POOL AS SET FORTH IN ORDER NO. R-610 IN ESTABLISHMENT OF A NON-STANDARD GAS PRORATION UNIT OF 80 CONTIGUOUS ACRES CONSISTING OF SE/4 NW/4 AND SW/4 NE/4 SECTION 20, TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 31, 1956 at Hobbs, New Mexico, before Warren W. Mankin, 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 37^{th} day of November, 1956, the Commission, a quorum being present, having considered the application, the evidence adduced, the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

That due notice of the time and place of hearing (1) 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, Amerada Petroleum Corporation is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal quarter section, and described as follows, to-wit:

> TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM Section 20: SE/4 NW/4 SW/4 NE/4

containing 80 acres, more or less.

-2-Case No. 1169 Order No. R-923

(3) That applicant, Amerada Petroleum Corporation has a producing well on the aforesaid lease known as J. G. Randle "A" No. 1, located 1980 feet from the North line and 1980 feet from the West line of Section 20, Township 21 South, Range 37 East, NMPM.

(4) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Blinebry Gas Pool.

(5) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Amerada Petroleum Corporation for approval of an 80 acre non-standard gas proration unit consisting of the following described acreage in the Blinebry Gas Pool, Lea County, New Mexico

> TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM Section 20: SE/4 NW/4 SW/4 NE/4

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

(2) That applicant's well, J. G. Randle "A" No. 1, located in the SE/4 NW/4 of said Section 20, shall be granted an allowable in the proportion that the acreage in the above described unit bears to the standard proration unit for said pool.

(3) That the effective date of the allowable shall be in accordance with the provisions of Rule 16 of the Special Rules and Regulations as set forth in Order R-610.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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JOHN F. SIMMS, Chairman

WALKER, Member

SEAL