

Filed January 31, 1957
A. J. O.

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. 1191
Order No. R-945

THE APPLICATION OF GULF OIL
CORPORATION FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT
TO RULE 5 (a) OF THE SPECIAL RULES
AND REGULATIONS FOR THE EUMONT GAS
POOL AS SET FORTH IN ORDER NO. R-520
IN ESTABLISHMENT OF A NON-STANDARD
GAS PRORATION UNIT OF 240 CONTIGUOUS
ACRES CONSISTING OF SE/4 SECTION 8
AND THE W/2 SW/4 SECTION 9, TOWNSHIP
21 SOUTH, RANGE 36 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 January 9, 1957, at Santa Fe, New Mexico, before Warren W. Mankin, Examiner duly appointed by the New Mexico Oil Conservation Commission, herein-after referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 30th day of January, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, 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 case and the subject matter thereof.

(2) That applicant, Gulf Oil Corporation, is the owner of state oil and gas leases in Lea County, New Mexico, portions of which are described as follows, to-wit:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 8: S/2 SE/4
Section 9: W/2 SW/4

That Atlantic Refining Company is the owner of a state lease described as follows:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 8: N/2 SE/4

a total of 240 acres, more or less.

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(3) That said companies have communitized the above-described properties.

(4) That applicant, Gulf Oil Corporation, has a producing well on the aforesaid lease known as Gulf's R. R. Bell "A" located 660 feet from the East line and 660 feet from the South line of Section 8, Township 21 South, Range 36 East.

(5) That the aforesaid well was completed and in production prior to the effective date of Order No. R-520, and now has an 80 acre gas allowable assigned to it in the Eumont Gas Pool.

(6) That it is impractical to pool applicants' said leases with other adjoining acreage in the Eumont Gas Pool and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 240 acres.

(7) 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 Eumont Gas Pool.

(8) 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 Gulf Oil Corporation for approval of a non-standard gas proration unit consisting of the following described acreage, Eumont Gas Pool, Lea County, New Mexico,

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 8: SE/4
Section 9: W/2 SW/4

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

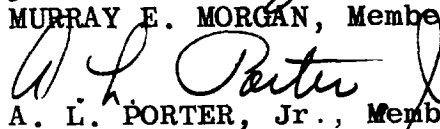
(2) That applicant's well, Gulf's R. R. Bell "A" No. 2, located 660 feet from the East line and 660 feet from the South line of said Section 8, shall be granted an allowable in the proportion that the above-described 240 acre unit bears to the standard proration unit in accordance with Rule 8 of said pool rules, all until further order of the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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