

*Entered June 25, 1964
O.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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3040
Order No. R-2724

APPLICATION OF HUMBLE OIL & REFINING
COMPANY FOR AN UNORTHODOX LOCATION AND
A NON-STANDARD PRORATION UNIT, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 7, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of June, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 cause and the subject matter thereof.

(2) That the applicant, Humble Oil & Refining Company, seeks authority to drill its J. A. E. Knight Well No. 2 at an unorthodox location 330 feet from the South line and 330 feet from the West line of Section 14, Township 24 South, Range 37 East, NMPM, Fowler-Ellenburger Pool, Lea County, New Mexico.

(3) That the applicant has drilled a well at a standard location in the NW/4 SW/4 of said Section 14 and that said well was non-productive from the Fowler-Ellenburger Pool.

(4) That the proposed unorthodox location should be approved in order to afford the applicant the opportunity to

-2-

CASE No. 3040

Order No. R-2724

produce its just and equitable share of the oil and gas in the Fowler-Ellenburger Pool.

(5) That the applicant also seeks approval of a 62-acre non-standard proration unit in the Fowler-Ellenburger Pool comprising all of the SW/4 SW/4 of Section 14 and a portion of the SE/4 SW/4 of Section 14, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(6) That the productivity of any of the SE/4 SW/4 of said Section 14 is doubtful and that inclusion of said acreage within the non-standard proration unit to be dedicated to the subject well would allow the applicant to produce more than its just and equitable share of the oil and gas in the subject pool from said well, thereby violating correlative rights.

(7) That approval of a 40-acre non-standard proration unit in the Fowler-Ellenburger Pool comprising the SW/4 SW/4 of said Section 14 to be dedicated to the applicant's J. A. E. Knight Well No. 2 will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil and gas in the pool, provided the J. A. E. Knight Well No. 2 does not receive more than one-half of a standard 80-acre allowable in the Fowler-Ellenburger Pool.

IT IS THEREFORE ORDERED:

(1) That the applicant, Humble Oil & Refining Company, is hereby authorized to drill its J. A. E. Knight Well No. 2 at an unorthodox location in the Fowler-Ellenburger Pool 330 feet from the South line and 330 feet from the West line of Section 14, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That a 40-acre non-standard proration unit in the Fowler-Ellenburger Pool comprising the SW/4 SW/4 of Section 14, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby created and dedicated to the Humble Oil & Refining Company J. A. E. Knight Well No. 2 to be located 330 feet from South line and 330 feet from the West line of said Section 14.

(3) That the above-described non-standard oil proration unit shall receive one-half of a standard 80-acre allowable in the Fowler-Ellenburger Pool.

-3-

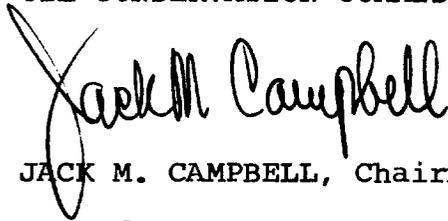
CASE No. 3040

Order No. R-2724

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JACK M. CAMPBELL, Chairman



E. S. WALKER, Member



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

S E A L

esr/