

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 CON-
SIDERING:

CASE NO. 804
Order No. R-587

THE APPLICATION OF THE AMERADA
PETROLEUM CORPORATION FOR AN
ORDER GRANTING APPROVAL OF AN
EXCEPTION PURSUANT TO RULE 5 (a)
OF ORDER NO. R-520 IN THE ESTABLISH-
MENT OF A NON-STANDARD GAS PRORATION
UNIT OF 240 ACRES CONSISTING OF THE NW/4
AND W/2 NE/4 OF SECTION 32, 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 December 16, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of the State of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 16th day of February, 1955, the Commission, a quorum being present, having considered the record and the testimony adduced at said hearing, 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 the provisions of Rule 5 (a) of Order No. R-520, the Commission has 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 the applicant, Amerada Petroleum Corporation, is the owner of oil and gas leases covering the E/2 NW/4 and the W/2 NE/4 of Section 32, Township 19 South, Range 37 East, consisting of approximately 160 acres.

(4) That the applicant, Amerada Petroleum Corporation, proposes to communitize said lands with the W/2 NW/4 of Section 32, Township 19 South, Range 37 East, which land is leased from the State of New Mexico by Amerada Petroleum

Corporation, to form a non-standard gas proration unit consisting of 240 acres.

(5) That the applicant, Amerada Petroleum Corporation, has a producing gas well on the aforesaid lease or leases known as Amerada Petroleum Corporation State "U" No. 1, located 660' from the west line and 1980' from the north line of Section 32, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico.

(6) That said well was completed and on 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.

(7) That the entire non-standard proration unit as herein proposed may be assumed productive of gas from the Eumont Gas Pool.

(8) That there have been no objections to the formation of the proposed 240-acre non-standard proration unit.

(9) That unless a proration unit consisting of the aforementioned acreage is permitted, applicant will be deprived of the full use and value of the leases herein described and the gas well located thereon.

(10) That the creation of the proration unit herein described is in the interests of conservation and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Amerada Petroleum Corporation for the approval of a non-standard proration unit in the Eumont Gas Pool be and the same hereby is approved, and a proration unit consisting of the following described acreage is hereby created:

TOWNSHIP 19 SOUTH, RANGE 37 EAST
Section 32: NW/4, W/2 NE/4

containing 240 acres, more or less.

(2) That applicant's well, Amerada Petroleum Corporation State "U" No. 1, located in SW/4 NW/4 of Section 32, Township 19 South, Range 37 East, NMPM, shall be granted an allowable in the proportion that the above described 240-acre proration unit bears to the standard or orthodox proration unit for the Eumont Gas Pool, such allowable to date from the first day of the proration month next succeeding the approval of the communitization agreement heretofore mentioned, by the Commissioner of Public Lands, all until further order of the Commission.

PROVIDED FURTHER, that applicant shall furnish the Commission with an approved copy of said communitization agreement.

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

W. B. MACEY, Secretary and Member

S E A L

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To ... Michael Stagner

From

Downna

7-10-95

Energy & Minerals Department

OIL CONSERVATION DIVISION

P O Box 1980

Hobbs NM 88241

Telephone Number (505) 393-6161

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| <input checked="" type="checkbox"/> For Your Files | <input type="checkbox"/> Prepare a Reply for My Signature |
| <input type="checkbox"/> For Your Review and Return | <input checked="" type="checkbox"/> For Your Information |
| <input type="checkbox"/> For Your Handling | <input type="checkbox"/> For Your Approval |
| <input type="checkbox"/> As Per Your Request | <input type="checkbox"/> For Your Signature |
| <input type="checkbox"/> Please Advise | <input checked="" type="checkbox"/> For Your Attention |

(SD-95-1)

SD-HESS

August 23, 1995

Rec. 7/5/95
Susp. NA
Released: 8/23/95

Amerada Hess Corporation
P. O. Box 52
Monument, New Mexico 88260

Attention: Robert R. Williams, Jr.

*Administrative Order SD-95-⁵*****

Dear Mr. Williams:

Reference is made to your application dated June 26, 1995. Amerada Hess Corporation is hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 240-acre gas spacing and proration unit ("GPU") comprising the **W/2 NE/4** and **NW/4** of Section 32, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico (approved by Division Order No. R-587, dated February 16, 1955) from the following two wells:

- the existing State "U" Gas Com Well No. 2 (**API No. 30-025-26169**) located at a standard "infill" Eumont gas well location (approved by Division Order No. R-5956, dated March 30, 1979) 990 feet from the North line and 2160 feet from the West line (Unit C) of said Section 32; and,
- from the newly drilled State "U" Gas Com Well No. 3 (**API No. 30-025-33013**) drilled at a standard Eumont gas well location 760 feet from the North line and 990 feet from and West line (Unit D) of said Section 32.

Further, Amerada Hess Corporation is permitted to produce the allowable assigned said non-standard 240-acre GPU from both wells in any proportion.

Sincerely,

William J. LeMay
Director

WJL/MES

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe