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. 665 Order No. R-471

THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR THE ESTABLISHMENT OF THREE PRORATION UNITS IN THE SE/4 SECTION 11, TOWNSHIP 13 SOUTH, RANGE 38 EAST, NMPM, BRONCO SILURO-DEVONIAN POOL, LEA COUNTY, NEW MEXICO, CONSISTING OF THE EAST 43.69 ACRES OF SAID SE/4, AND THE NORTH AND SOUTH 43.69 ACRES OF THE W/2 OF SAID QUARTER SECTION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on February 17, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 27th day of May, 1954, the Commission, a quorum being present, having considered the records and 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 the applicant is the owner of oil and gas leases covering the SE/4 of Section 11, Township 13 South, Range 38 East, Lea County, New Mexico.

(3) That applicant has completed its Ward No. 1 well, located approximately 660 feet from both the south and west lines of said quarter section; its Ward No. 2 Well, located approximately 660 feet from the north and 520 feet from the east line of said quarter section; and its Ward No. 3 Well, located 660 feet from both the north and west lines of said quarter section.

(4) That each of these wells is a producing oil well within the defined limits of the Bronco Siluro-Devonian Pool, Lea County, New Mexico.

(5) That the east line of said quarter section coincides with the boundary line between New Mexico and Texas, and because of the adjustment of the survey on the east line, this quarter section contains only 131.07 acres.

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(6) That because of the size and shape of said quarter section, four 40-acre proration units substantially in the form of a square cannot be established in said quarter spectron and all three of said wells cannot he located on 40 contiguous surface acres in the form of a square within the said quarter section.

(7) That the establishment of three provation units in said quarter section consisting of the most easterly 43,69 acres of said quarter section and 43,69 acres each on the north and south of the west half of said quarter section, as more particularly shown by applicant's Exhibit 'A' attached to the application filed herein, will secure to applicant the full use and value of its wells in said quarter section, and will be in the interest of construction and protection of correlative rights.

IT IS THEREFORE ORDERED;

[1] That there are hurchy established three proration units, each consisting of 43, 69 after in Ma SE/4 of Section II. Township 13 South. Range 38 East. NMPM., Lea County, New Mexico, said units to be assigned respectively to Amerada Wells Ward No. 1. Ward No. 2. and Ward No. 3. as prayed for in the application filed herein, and as shown for particularly by Exhibit "A" which is attached to said application and incorporated herein by reference.

(2) That applicant's Ward No. 1 Well, Ward No. 2 Well, and Ward No. 3 Well shall each be granted an allowable in the propertien that its 43.69-aere unit bears to the standard or orthodox proration for said pool, 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

E. S. WALKER, Member

R. R. SPURRIER, Member and Secretary

(SEAL)