

Entered October 25, 1977
JGR

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. 6042
Order No. R-5550

APPLICATION OF GULF OIL CORPORATION
FOR A NON-STANDARD PRORATION UNIT,
SIMULTANEOUS DEDICATION AND UNORTHODOX
LOCATIONS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 28, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of October, 1977, 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, Gulf Oil Corporation, seeks approval of a 388.43-acre non-standard gas proration unit comprising the NW/4 and E/2 SW/4 of Section 6 and the NW/4 of Section 7, both in Township 22 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its H. T. Mattern NCT-D Wells Nos. 6 and 3, at unorthodox locations in Unit N of said Section 6 and Unit F of said Section 7, respectively.

(3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Eumont Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the afore-said well.

(4) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Eumont Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(5) That Commission Order No. R-904, which approved a 240-acre non-standard Eumont Gas Pool proration unit comprising the N/2 NE/4 of Section 1, Township 22 South, Range 36 East, NMPM, and the NW/4 of Section 6, Township 22 South, Range 37 East, NMPM, and Commission Order No. R-997, which approved a 234-acre non-standard Eumont Gas Pool proration unit comprising the E/2 SW/4 of Section 6 and the NW/4 of Section 9, both in Township 22 South, Range 37 East, NMPM, should be superseded.

IT IS THEREFORE ORDERED:

(1) That effective November 1, 1977, a 388.42-acre non-standard gas proration unit in the Eumont Gas Pool comprising the NW/4 and E/2 SW/4 of Section 6 and the NW/4 of Section 7, both in Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Gulf Oil Corporation H. T. Mattern NCT-D Wells Nos. 6 and 3, at unorthodox locations in Unit N of said Section 6 and Unit F of said Section 7, respectively.

(2) That Commission Orders Nos. R-904 and R-997 are hereby superseded.

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

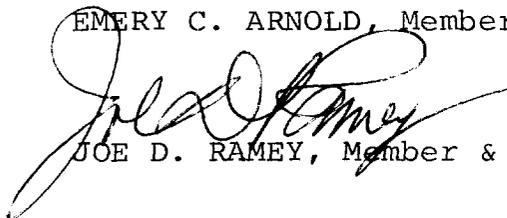
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

S E A L

jr/