

Entered February 10, 1981
JLR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7117
Order No. R-6569

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 14, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of February, 1981, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Gulf Oil Corporation, seeks approval for the simultaneous dedication of a previously approved 320-acre non-standard gas proration unit comprising the E/2 of Section 25, Township 20 South, Range 36 East, NMPM, to its L. W. White (NCT-A) Well No. 2, located in Unit I and its L. W. White (NCT-A) Well No. 7 at an unorthodox location 990 feet from the North line and 660 feet from the East line, both in said Section 25.

(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 aforesaid well.

-2-

Case No. 7117
Order No. R-6569

(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.

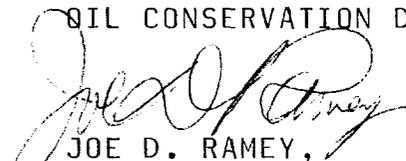
IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized the simultaneous dedication of a previously approved 320-acre non-standard gas proration unit in the Eumont Gas Pool comprising the E/2 of Section 25, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, to its L. W. White (NCT-A) Well No. 2 located in Unit I and its L. W. White (NCT-A) Well No. 7 at an unorthodox location 990 feet from the North line and 660 feet from the East line of said Section 25.

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

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

S E A L

dr/