

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
CONSIDERING:

CASE NO. 913
Order No. R-674

THE APPLICATION OF SUNRAY MID-
CONTINENT OIL COMPANY FOR AN
ORDER GRANTING APPROVAL OF AN
EXCEPTION PURSUANT TO RULE 5 (a)
OF THE SPECIAL RULES AND REGULATIONS
OF THE EUMONT GAS POOL OF ORDER NO.
R-520 IN ESTABLISHMENT OF A NON-STANDARD
GAS PRORATION UNIT OF 160 CONTIGUOUS ACRES
CONSISTING OF THE E/2 SE/4 OF SECTION 11 AND
THE W/2 SW/4 OF SECTION 12, TOWNSHIP 21 SOUTH,
RANGE 36 EAST, NMPM, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 13, 1955 at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 17th day of August, 1955, the Commission, a quorum being present, having considered the records and testimony adduced, 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 provisions of Rule 5 (a) of the Special Rules and Regulations of the Eumont Gas Pool of Order No. R-520, the Commission has power and 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 applicant, Sunray Mid-Continent Oil Company is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of other than a legal section, and described as follows, to-wit:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
E/2 SE/4 of Section 11
and W/2 SW/4 of Section 12

containing 160 acres, more or less.

Entered August 24, 1955
WPM

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(4) That applicant, Sunray Mid-Continent Company has a producing well on the aforesaid lease known as the C. W. Marshall Well No. 2, located 1980 feet from the south line and 660 feet from the east line of Section 11, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

(5) That the aforesaid well will be recompleted within the vertical and horizontal limits of the Eumont Gas Pool, as said pool is delineated and designated in Order No. R-520.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Eumont Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 160 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Sunray Mid-Continent Oil Company for approval of a non-standard proration unit consisting of the following described acreage:

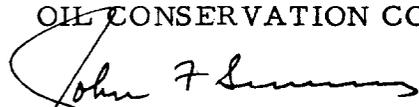
TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
E/2 SE/4 of Section 11
 and W/2 SW/4 of Section 12

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

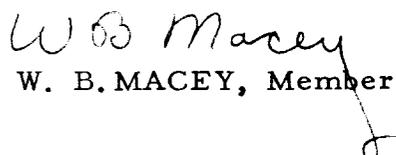
(2) That applicant's well, C. W. Marshall Well No. 2, located in the NE/4 SE/4 of Section 11, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 160 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO
 OIL CONSERVATION COMMISSION


 JOHN F. SIMMS, Chairman


 E. S. WALKER, Member


 W. B. MACEY, Member and Secretary

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