

W. Brown

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. 945
Order No. R-689

THE APPLICATION OF GULF OIL
CORPORATION FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT
TO RULE 5 (a) OF THE SPECIAL RULES
AND REGULATIONS FOR THE EUMONT GAS
POOL OF ORDER R-520 IN ESTABLISHMENT
OF A 480 ACRE NON-STANDARD GAS
PRORATION UNIT CONSISTING OF THE S/2
AND NW/4 OF SECTION 34, TOWNSHIP 20
SOUTH, RANGE 37 EAST, NMPM, LEA
COUNTY, NEW MEXICO, TO BE ASSIGNED
TO APPLICANT'S BELL-RAMSEY "C" WELL
NO. 1, (FORMERLY BEARING THE NAME
BELL -RAMSEY WELL NO. 11) FOR GAS
PRORATION PURPOSES 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 August 17, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 13th day of October 1955, the Commission, a quorum being present, having considered the record 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 the Commission has the 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, Gulf Oil Corporation, is the owner of a state oil and gas lease in Lea County, New Mexico, which lease covers land consisting of other than a legal section, and described as follows:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
S/2 of Section 34

containing 320 acres, more or less.

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Order No. R-689

(4) That Stanolind is the owner of a federal oil and gas lease in Lea County, New Mexico, which lease covers land consisting of other than a legal section, and described in part as follows:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
NW/4 of Section 34

containing 160 acres, more or less.

(5) That applicant, Gulf Oil Corporation, has a producing gas well on the lease described in paragraph (3) above, which well is known as Gulf Oil Corporation's Bell-Ramsey "C" Well No. 1, located 1650 feet from the South line and 2310 feet from the East line of Section 34, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, the name of said well having been changed on July 20, 1955 from Bell-Ramsey Well No. 11 to Bell-Ramsey "C" Well No. 1.

(6) That the aforesaid well is located within the horizontal limits of the Eumont Gas Pool as presently defined.

(7) That the aforesaid well was completed as a gas well in the Eumont Gas Pool in June 1954, which date precedes the effective date of Order R-520.

(8) That it is practical to pool applicant's aforesaid lease with adjoining acreage in the NW/4 of Section 34, and that negotiations are currently underway between the applicant and Stanolind Oil and Gas Company to effect the unitization of their respective leaseholds as described above.

(9) That all the acreage included in the proposed proration unit is reasonably presumed to be productive of gas from the Eumont Gas Pool.

(10) That unless a proration unit consisting of the aforesaid acreage owned by applicant and Stanolind Oil and Gas Company is approved, the applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool.

(11) That the creation of a proration unit as described above and the assignment of said acreage to the well identified above will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Gulf Oil Corporation, for approval of a non-standard proration unit consisting of the following described acreage:

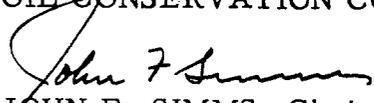
TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
NW/4 and S/2 of Section 34

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

(2) That applicant's well, Bell-Ramsey "C" Well No. 1, located in the NW/4 SE/4 of Section 34, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 480 acre unit bears to the standard proration unit for said pool, all until further order of the Commission. That upon completion of unitization agreement applicant shall advise the Commission that the unit agreement has been completed and approved by all parties concerned.

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, Member and Secretary

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