

Filed February 27, 1956
WBM

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. 966
Order No. R-748

THE APPLICATION OF HUMBLE OIL AND
REFINING COMPANY FOR AN ORDER
GRANTING APPROVAL OF AN EXCEPTION
PURSUANT TO RULE 5 (a) OF THE SPECIAL
RULES AND REGULATIONS FOR THE ARROW
GAS POOL AS SET FORTH IN ORDER NO.
R-520 IN ESTABLISHMENT OF A NON-
STANDARD GAS PRORATION UNIT OF 320
CONTIGUOUS ACRES IN LEA COUNTY, NEW
MEXICO, CONSISTING OF THE S/2 OF SECTION
26, TOWNSHIP 21 SOUTH, RANGE 36 EAST,
NMPM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 17, 1955 at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order No. R-681.

NOW, on this 20th day of February 1956, the Oil Conservation Commission of New Mexico, a quorum being present, having considered said application, the transcript of testimony and record and the recommendations of Warren W. Mankin, the Examiner, 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 for the Arrow Gas Pool as set forth in 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, Humble Oil and Refining 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
Section 26: S/2

containing 320 acres, more or less.

Order No. R-748

(4) That applicant, Humble Oil and Refining Company has a producing well on the aforesaid lease known as N. M. State "G" Well No. 2, located 660 feet from the East line and 660 feet from the South line of Section 26, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

(5) That the aforesaid well was completed and in production prior to the effective date of Order No. R-520, and is located within the horizontal limits of the pool heretofore delineated and designated as the Arrow Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Arrow Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 320 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 Arrow 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 Humble Oil and Refining Company for approval of a non-standard gas proration unit in the Arrow Gas Pool consisting of the following described acreage in Lea County, New Mexico.

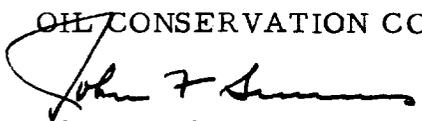
TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 26: S/2

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

(2) That applicant's well, N. M. State "G" No. 2, located in the SE/4 SE/4 of Section 26, Township 21 South, Range 36 East, NMPM, in the Arrow Gas Pool, shall be granted an allowable in the proportion that the above described 320 acre unit bears to the standard proration unit 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


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


W. B. MACEY, Member and Secretary

S E A L

ir/