

Entered April 11, 1956
A.S.P.

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. 1004
Order No. R-779

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 EUMONT GAS POOL OF ORDER
NO. R-520 IN ESTABLISHMENT OF A NON-
STANDARD GAS PRORATION UNIT OF 160
CONTIGUOUS ACRES CONSISTING OF S/2
SW/4 OF SECTION 25, S/2 SE/4 OF
SECTION 26, TOWNSHIP 20 SOUTH,
RANGE 36 EAST, NMPM, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m., on February 8, 1956, at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico in accordance with Rule 1214 as set forth in Order R-681.

NOW, on this 29th day of March 1956, the Commission, a quorum being present, having considered the evidence adduced and the recommendations made by Warren W. Mankin, 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 the provisions of Rule 5 (a) of the Special Rules and Regulations of the Eumont Gas Pool as set forth in Order 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 certain federal oil and gas leases in Lea County, New Mexico, a portion of which is described as follows, to-wit:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
S/2 SW/4 Section 25
S/2 SE/4 Section 26

containing 160 acres, more or less.

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(4) That applicant is in the process of securing a communitization agreement for the S/2 SE/4 of Section 26 and S/2 SW/4 of Section 25, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

(5) That applicant, Humble Oil and Refining Company has a producing well on the aforesaid lease known as the Federal Fopeano, Well No. 1 located 660 feet from the South line and 1980 feet from the West line of Section 25, Township 20 South, Range 36 East, NMPM.

(6) 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 Eumont Gas Pool.

(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 Stanolind Oil and Gas Company is the owner of the working interest under the N/2 SW/4 Section 25, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico and as owner of said interest Stanolind Oil and Gas Company by its attorney, appeared and entered an objection to the granting of the application.

(9) That it would be practical for Stanolind Oil and Gas Company, after proper administrative procedure, to join aforesaid acreage with Humble's subject unit to form a 240 acre unit.

(10) 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 Eumont Gas Pool, consisting of the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
S/2 SW/4 Section 25
S/2 SE/4 Section 26

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

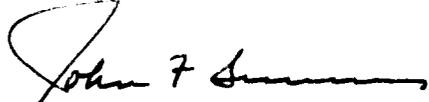
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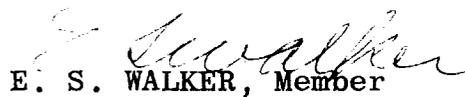
(2) That applicant's well, Federal Fopeano Well No. 1, located 660 feet from the South and 1980 feet from the West line of Section 25, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above-described 160 acre unit bears to the standard unit for said pool, all until further order of the Commission.

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

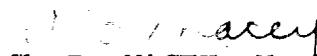
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



W. B. MACEY, Member and Secretary

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