

Entered Dec. 31, 1956

APP.

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. 1178
Order No. R-937

THE APPLICATION OF GULF OIL
CORPORATION FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION TO RULE
5 (a) OF THE SPECIAL RULES AND
REGULATIONS FOR THE EUMONT GAS
POOL AS SET FORTH IN ORDER NO. R-520
IN ESTABLISHMENT OF A NON-STANDARD
GAS PRORATION UNIT OF 320 CONTIGUOUS
ACRES CONSISTING OF E/2 SECTION 22,
TOWNSHIP 21 SOUTH, RANGE 36 EAST,
NMPM, EUMONT GAS POOL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on November 28, 1956, at Hobbs, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 28th day of December, 1956, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That applicant, Gulf Oil Corporation is the owner of a state oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal section, a portion of which is described as follows, to-wit:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
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containing 320 acres, more or less.

(3) That applicant, Gulf Oil Corporation, has a producing well on the aforesaid lease known as its Harry Leonard "A" Well No. 3, located 660 feet from the North line and 1980 feet from the East line of Section 22, Township 21 South, Range 36 East, NMPM.

(4) That the aforesaid well was recompleted 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; said well has at present a 160 unit gas allowable assigned to it.

(5) 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 320 acres.

(6) 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.

(7) 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 Gulf Oil Corporation for approval of a non-standard gas proration unit consisting of the following described acreage in the Eumont Gas Pool, Lea County, New Mexico:

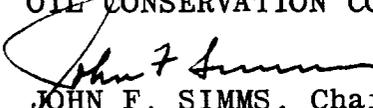
TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
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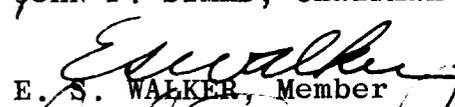
be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, Harry Leonard "A" No. 3, located 660 feet from the North line and 1980 feet from the East line of said Section 22, shall be granted an allowable in the proportion that the above-described 320-acre unit bears to the standard proration unit in accordance with Rule 8 of the pool rules, 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


A. L. PORTER, Jr., Member & Secretary

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