BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

In the matter of the hearing Called by the oil conservation Commission of New Mexico for the Purpose of Considering:

> CASE NO. 911 Order No. R-652

THE APPLICATION OF GULF OIL CORPORATION FOR APPROVAL OF A 160-ACRE NON-STANDARD GAS PRORATION UNIT IN THE EUMONT GAS POOL TO CONSIST OF LOTS 4 AND 5 OF SECTION 4 AND LOTS 7 AND 8 OF SECTION 5, TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM, LEACOUNTY, NEW MEXICO, TO BE DEDICATED TO APPLICANT'S H. T. ORCUTT "B" WELL NO. 1, LOCATED 1980 FEET FIL AND 1980 FEET FEL OF SAID SECTION 5.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 18, 1955, at Santa Fe. New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 20th day of June, 1955, the Commission, a quorum being present, having considered the record and the 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 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 oil and gas leases in Lea County, New Mexico, covering lands other than a legal section and described as follows:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 4: Lots 4 and 5
Section 5: Lots 7 and 8

containing 160 acres, more or less.

- (4) That applicant, Gulf Oil Corporation, has a producing well on the aforesaid lands known as the H. T. Orcutt "B" Well No. 1, located 1980 feet from the North and East lines of Section 5, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.
- (5) That approval of the above-described 160-acre non-standard gas proration unit will enable applicant to recover its just and equitable share of the natural gas in the Eumont Gas Pool.
- (6) That it is impractical to pool applicant's said acreage with adjoining acreage in the Eumont Gas Pool, and that the owners of adjoining acreage have not objected to the formation of the proposed proration unit.
- (7) That the creation of a non-standard gas proration unit consisting of the aforesaid acreage 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 provation unit in the Eumont Gas Pool to consist of the following described acreage:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 4: Lots 4 and 5 Section 5: Lots 7 and 8

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

(2) That applicant's well, H. T. Oreutt "B" Well No. 1, located 1980 feet from the North and East lines of Section 5, 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, on the day and year herein-above designated.

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

John 7 June 7 John F. SIMMS, Chairman

E SLUZIKE. Member

W. B. MACEY, Member and Secretary

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