

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
at
Santa Fe, New Mexico
December 17, 1953

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In the Matter of:)

Application of E. B. Clark and C. B. Christie)
for approval of an unorthodox gas proration)
unit in exception to Rule 7(a) of Order No.)
R-370-A, said unit to consist of W/2 NE/4 and)
E/2 NW/4 (a total of 160 acres, more or less))
in Section 3, Township 20 South, Range 37 East,)
NMPM, Lea County, New Mexico, in the Eumont Gas)
Pool.)
-----)

Case No. 625

(Notice of Publication read by Mr. Graham).

MR. WELLS: My name is J. C. Wells. I am representing E. B. Clark and C. B. Christie in Case No. 625, application for an unorthodox gas proration unit covering 160 acres which is jointly owned by Clark and Christie, covering the west half of the northeast quarter, the east half of the northwest quarter of Section 320 South, 37 East, in the Eumont Gas Pool. This 160 acres constitutes the entire holdings of Mr. Clark and Mr. Christie in Lea County, and we are unable to form an orthodox gas unit due to the fact that El Paso Natural Gas Company has a producing gas well on the northeast quarter of Section 3. Consequently it is necessary that we make this request for an unorthodox gas unit.

MR. GRAHAM: What is the situation in the northwest quarter?

MR. WELLS: I believe Mr. Nolan, B. H. Nolan of Hobbs owns that northwest quarter.

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MR. GRAHAM: The west half?

MR. WELLS: Yes, the west half of the northwest quarter. I might add that this producing, we have one producing gas well on this 160 acres at the present time, and it is in the northwest quarter of the northeast quarter.

MR. SPURRIER: Is Mr. Nolan represented here?

MR. STANLEY: Have you ever attempted to unitize with Mr. Nolan?

MR. WELLS: No, sir, we have not.

MR. GRAHAM: Or with El Paso?

MR. WELLS: Well, El Paso has a producing gas well adjoining our 160 acres.

MR. GRAHAM: That is over on the east side, standard unit?

MR. DAVIS: Southern Union is buying the gas from the Clark and Christie 2C Well. I might point out that it seemed to me that the difficulty here is that the Clark and Christie Well was drilled in the northwest of the northeast quarter and there is an El Paso gas well in the northeast northeast quarter. Therefore, the normal orthodox proration unit north, the Clark-Christie 2C Well should be the northeast quarter, but they would be unable to get an 80 acre allowable. Therefore, it seemed reasonable that since they owned the adjoining 80 acres that that be considered an unorthodox gas proration unit.

MR. GRAHAM: That would leave two unorthodox, one on each --

MR. DAVIS: You have one on El Paso's part?

MR. GRAHAM: One on Mr. Nolan's.

MR. DAVIS: You would still be penalizing Clark and Christie

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if you give him a half of one and then he has to stand the cost of the second well to get half allowable from over in the northwest quarter. He has spent his money.

MR. GRAHAM: That situation was before the Commission several years ago.

MR. WHITE: Didn't the applicant get the consent of the Southern Union Gas Company on the El Paso?

MR. DAVIS: You mean El Paso. Well, I don't know, El Paso, I think has one on their 80. I have no idea what their thoughts on it are.

MR. SPURRIER: Mr. Woodruff, what about El Paso?

MR. WOODRUFF: I have no information concerning El Paso's views on that particular matter.

MR. MACY: Is the No. 20 Well a pretty good well?

MR. WELLS: Just a fair well.

MR. WIEDERKEHR: It can make its 160 allowable.

MR. SPURRIER: I think before the Commission can decide this it will be necessary to get waivers from Mr. Nolan and El Paso also.

MR. MACY: Does El Paso own the southeast or southeast quarter also?

MR. DAVIS: They own the 80. In any event you are going to have two unorthodox units in that north half. You can't get away from it, the two wells being in the northeast quarter, unless you force those people to take a half allowable, which certainly is not equitable.

MR. SPURRIER: We will take the case under advisement and move on to Case 626.

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