

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 CON-  
SIDERING:

CASE NO. 643  
Order No. R-436

THE APPLICATION OF AMERADA  
PETROLEUM CORPORATION FOR  
AN ORDER GRANTING APPROVAL  
OF AN EXCEPTION PURSUANT TO  
RULE 7 (a) OF ORDER NO. R-373-A  
IN ESTABLISHMENT OF AN UNOR-  
THODOX GAS PRORATION UNIT OF  
160 CONTIGUOUS ACRES CONSISTING  
OF THE NORTH HALF OF THE SOUTH  
HALF OF SECTION 16, TOWNSHIP 21  
SOUTH, RANGE 37 EAST, NMPM., LEA  
COUNTY, NEW MEXICO, IN THE TUBB  
GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m., on January 20, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this <sup>7<sup>th</sup></sup> 16 day of April, 1954, the Commission, a quorum being present, having considered the records and 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 pursuant to provisions of Rule 7 (a) of Order No. R-373-A, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

(3) That applicant, Amerada Petroleum Corporation, is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 21 South, RANGE 37 East, NMPM.  
N/2 S/2 of Section 16

containing 160 acres, more or less.

(4) That applicant, Amerada Petroleum Corporation, has obtained permission from the Commission to dually complete a well on the aforesaid lease, the well known as the State'DA", No. 3, located 1980 feet from the South and East lines of Section 16, Township 21 South, Range 37 East, NMPM., and

that the records of this Commission indicate that such dual completion has been effected at this time.

(5) That the aforesaid well is located within the limits of the pool heretofore delineated and designated as the Tubb Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the South Half of Section 16, Township 21 South, Range 37 East, NMPM., and that the owners of adjoining acreage in said half section have not objected to the formation of the proposed proration unit of 160 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 Tubb Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, will protect correlative rights, and is necessary to prevent confiscation of applicant's property.

IT IS THEREFORE ORDERED:

(1) That the application of Amerada Petroleum Corporation for approval of an unorthodox proration unit consisting of the following described acreage

TOWNSHIP 21 South, RANGE 37 East, NMPM.  
North half of the South Half of Section 16

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

(2) That applicant's well, State "DA", No. 3, located in the NW/4 SE/4 of Section 16, Township 21 South, Range 37 East, NMPM, 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, the effective date of said allowable being determined in accordance with the provisions of Rule 13 of Order R-373-A.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*E. L. Mechem*

EDWIN L. MECHEM, Chairman

*E. S. Walker*

E. S. WALKER, Member

*R. R. Spurr*

R. R. SPURR, Secretary and Member

(SEAL)