

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. 1030  
Order No. R-788

THE APPLICATION OF AMERADA PETROLEUM  
CORPORATION FOR AN ORDER GRANTING AN  
APPROVAL OF AN EXCEPTION PURSUANT TO  
RULE 5 (a) OF THE SPECIAL RULES AND  
REGULATIONS FOR THE EUMONT GAS POOL  
AS SET FORTH IN ORDER R-520 IN ESTABLISH-  
MENT OF A NON-STANDARD GAS PRORATION UNIT  
OF 160 CONTIGUOUS ACRES CONSISTING OF SE/4  
SECTION 26, TOWNSHIP 19 SOUTH, RANGE 36  
EAST, LEA COUNTY, NEW MEXICO, AND FOR  
THE POOLING OF INTERESTS THEREIN AS TO  
THE GAS RIGHTS WITHIN THE VERTICAL LIMITS  
OF THE EUMONT GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on  
March 14, 1956 at Santa Fe, New Mexico, before the Oil Conservation  
Commission of New Mexico, hereinafter referred to as the "Com-  
mission".

NOW, on this 11 day of April 1956, the Commission,  
a quorum being present, having considered the evidence 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 the provisions of Rule 5 (a) of  
the Special Rules and Regulations of the Eumont Gas Pool as set  
forth in Order No. 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, Amerada Petroleum Corporation  
and the Gulf Oil Corporation are the owners of oil and gas leases  
in Lea County, New Mexico, a portion of which consists of other  
than a legal section and described as follows, to-wit:

TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM  
SE/4 Section 26

containing 160 acres, more or less.

(4) That applicant, Amerada Petroleum Corporation and the Gulf Oil Corporation, by operating agreement, have pooled all the working interests under the aforesaid described acreage.

(5) That applicant, Amerada Petroleum Corporation, has a producing well on the aforesaid acreage known as the W. A. Weir Well No. 7 located in the SW/4 SE/4 of said Section 26, heretofore completed in the Monument Oil Pool on November 25, 1936 and plugged back and recompleted in the Queen formation of the Eumont Gas Pool on November 10, 1954.

(6) That it is impractical to pool applicants 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 160 acres.

(7) That applicant has in good faith unsuccessfully attempted to voluntarily pool all royalty interests in aforesaid acreage.

(8) That denial by the Commission to pool the properties so requested in the application would deprive or tend to deprive the owner of such tract of the opportunity to recover its just and equitable share of the crude petroleum or natural gas or both in the pool.

(9) That creation of a proration unit consisting of the aforesaid acreage and the pooling of all interests therein will not cause but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of the Amerada Petroleum Corporation for approval of a non-standard gas proration unit in exception to Rule 5 (a) of the Special Rules and Regulations for the Eumont Gas Pool as set forth in Order R-520, said unit consisting of the following described acreage, Lea County, New Mexico:

TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM  
SE/4 Section 26

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

(2) That applicants well, W. A. Weir Well No. 7, located in the SW/4 SE/4 of Section 26, Township 19 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 proration unit for the Eumont Gas Pool.

(c) That the following described properties are hereby pooled to constitute a 160 acre drilling and proration unit for the gas and associated hydrocarbons within the vertical limits of the Eumont Gas Pool.

- (1) The SE/4 of Section 26,  
Township 19 South, Range  
36 East, Lea County, New  
Mexico.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John F. Simms*  
JOHN F. SIMMS, Chairman

*E. S. Walker*  
E. S. WALKER, Member

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

