

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF GREAT WESTERN
DRILLING COMPANY FOR AN ORDER
ESTABLISHING A NON-STANDARD
GAS PRORATION UNIT IN THE
EUMONT GAS POOL IN LEA COUNTY,
NEW MEXICO

Case No. 1944

Comes now Great Western Drilling Company, whose address is Box 1659, Midland, Texas, and hereby makes application for an Order establishing a non-standard gas proration unit in the Eumont Gas Pool in Lea County, New Mexico, as an exception to the Commission's Order No. R-368 (as amended by Order Nos. R-370, R-386-A, R-370-A, R-520, and R-967), and in support of the Application states:

1. Applicant is the Working Interest Owner and Operator of a well producing gas in commercial quantities, which well is located 330 feet from the North line and 270 feet from the West line of Section 33, Township 19 South, Range 37 East, N.M.P.M., Lea County, New Mexico. Said well was completed on September 3, 1937. The lands upon which said well is located are lands belonging to the United States of America and are now subject to a valid and subsisting lease from the United States of America as Lessor to Great Western Drilling Company as Lessee, bearing Las Cruces Serial No. 055715, dated November 1, 1956.

2. The aforementioned gas well was drilled to, and is presently producing from, the Eumont Gas Pool prior to the effective date of Order R-368, (which Order is dated September 28, 1953) and said well was drilled to and is presently producing

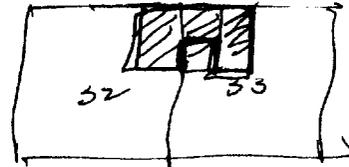
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from the Eumont Gas Pool at a location conforming to the spacing requirement effective at the time said well was drilled. Said well is producing with a gas-oil ratio in excess of 100,000 cubic feet of gas per barrel of oil, and is producing gas within the vertical and horizontal limits of the Eumont Gas Pool as prescribed in said Order R-368, as amended.

3. The non-standard gas proration unit applied for herein consists of contiguous quarter-quarter sections and/or lots described as;

Township 19 South, Range 37 East, N.M.P.M.

Section 32: $E\frac{1}{2}NE\frac{1}{4}$
Section 33: $E\frac{1}{2}NW\frac{1}{4}$, $NW\frac{1}{4}NW\frac{1}{4}$



containing 200 acres, more or less, Said lands in Section 33 lie within the horizontal limits of the Eumont Gas Pool, and said lands in Section 32 lie within one mile of the horizontal limits of the said Eumont Gas Pool. Applicant is the Working Interest Owner of that portion of the proposed non-standard gas proration unit lying in Section 33; Applicant (17/32), H. B. Anthony, Jr. (5/128), W. L. Hoyt (10/32), Raymond Anthony (5/128) and Dr. Hans May (5/64) are the Working Interest Owners of a severed 31 acres in the $SE\frac{1}{4}NE\frac{1}{4}$ of said Section 32 and the remaining 9 acres in said quarter-quarter section are proposed to be force-pooled as hereinafter set forth; The Texas Company is the Working Interest Owner of a severed 38 acres in the $NE\frac{1}{4}NE\frac{1}{4}$ of said Section 32 and the remaining 2 acres in said quarter-quarter section have been previously force-pooled by Order No. 739, dated April 9, 1948, in Case No. 117 before this Commission, and the same is again proposed to be force-pooled as hereinafter set forth. That each and all of the above named Working Interest Owners have entered into a Communitization Agreement agreeing to the formation of a non-standard gas proration unit for the production of dry gas and associated liquid hydrocarbons producible within the vertical limits of the Eumont Gas Pool, and Applicant is designated as Operator therein.

4. The entire above proposed non-standard gas proration unit is reasonably presumed to be productive of gas, and the length or width of the proposed non-standard gas proration unit does not exceed 5,280 feet. The proposed non-standard gas proration unit consists of all of the available lands for the formation of such a proration unit, all adjoining lands now being under previously approved gas proration units. A plat showing (i) the land involved in this Application, (ii) the names of all Operators owning interests in the Sections in which parts of the proposed non-standard gas proration unit is situated and which acreage is not included in said proposed non-standard gas proration unit, and (iii) the names of all other Operators owning interests within 1500 feet of the aforementioned well, is attached hereto and marked Exhibit "1". Each of such Operators have been submitted a copy of this Application, due proof of which will be submitted at the hearing hereon.

5. That the following persons and corporations have executed said Communitization Agreement, to-wit:

Great Western Drilling Company
 First Chicago Corporation
 The Texas Company
 H. B. Anthony, Jr.
 W. L. Hoyt
 Raymond Anthony
 Dr. Hans May
 Southern Petroleum Exploration, Inc.
 L. R. Kershaw
 Mrs. Ora B. Gay
 Edward A. Golden
 Estate of Harry W. Walker
 William R. Kershaw
 Continental Investment Corporation
 Atlantic Oil Corporation
 J. B. Headley
 M. M. Lawellin
 L. T. Lewis
 Estate of W. C. Lawrence
 J. D. Atwood
 Frances Smyrl Jennings
 Chase Manhattan Bank
 Nelle G. Scheurich
 L. R. Hammond
 A. W. Hockenhull
 T. B. Cavender
 W. W. Mayes
 Keohane, Inc.
 John H. Reed

Vora V. Hartley
 Estate of Harold Hurd
 Estate of Edgar Grant Lawrence
 Estate of Elizabeth Reed Bowman
 George W. Reed
 Benjamin A. Reed
 R. O. Robbins
 Guy Jack, Jr.
 Annie May Kavanaugh
 Florence Jack Mayo
 C. J. Williamson
 Estate of Mabel C. Holland
 W. E. Reed
 T. E. Reed
 Alma Reed Roussin
 Dorothy Reed Maczuk
 Daisy M. Reed Riddle
 J. C. Burkhalter
 W. D. Burger
 Jewell Scales Kimbrough
 Estate of Sophia Abramson
 Charles Bacon
 Western Mineral Deed Association,
 Inc.
 C. P. Bordages
 Sinclair Oil & Gas Company
 The American National Bank
 of Beaumont

which such persons and corporations collectively comprise all parties owning working interests, and a majority of the parties owning royalty or overriding royalty interests, in the proposed communitized area. Applicant, as proposed Operator under the Communitization Agreement, has made a diligent effort to obtain the joinder to the Communitization Agreement by the remaining interests in said area, but Applicant has been unable to obtain such consent; it will therefore be necessary to force-pool such remaining interests in the event this Application is granted by the Commission; such an application for force-pooling will be made by Applicant upon receipt of an Order of the Commission granting this Application.

WHEREFORE, Applicant respectfully requests that the Commission enter its Order:

(a) Establishing a non-standard gas proration unit in the Eumont Gas Pool consisting of the $E\frac{1}{2}NE\frac{1}{4}$ Section 32, $E\frac{1}{2}NW\frac{1}{4}$, $NW\frac{1}{4}NW\frac{1}{4}$ Section 33, Township 19 South, Range 37 East, N.M.P.M., Lea County, New Mexico, containing 200 acres, more or less.

Respectfully submitted,

GREAT WESTERN DRILLING COMPANY

By *S. B. Christy, IV*
S. B. Christy, IV, Individually for
Hervey, Dow & Hinkle, as a member of
the firm
Box 547, Roswell, New Mexico

Handwritten:
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