

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. 2843
Order No. R-2510

APPLICATION OF GULF OIL CORPORATION
FOR A SPECIAL GAS WELL TEST, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 26, 1963, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 2nd day of July, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Gulf Oil Corporation, seeks authority to produce and flare approximately 3000 MCF of gas per day for a period of not less than six nor more than nine days from its Hackberry Hills Unit Well No. 1, located in Unit O of Section 1, Township 22 South, Range 25 East, NMPM, Eddy County, New Mexico, to determine if the gas reserves in place justify the expense of a pipeline to the nearest market outlet.
- (3) That since discovery of the pool by the Hackberry Hills Unit Well No. 1, the applicant drilled an exploratory well approximately one mile southeast of the subject well in an attempt to develop the reservoir, but said well resulted in a dry hole.
- (4) That the royalty interest owner has consented to the applicant's proposal to flare gas as set out above.
- (5) That the proposed flaring of gas will constitute beneficial use of natural gas.

-2-

CASE No. 2843
Order No. R-2510

(6) That approval of the subject application will prevent waste by enabling the operator to evaluate the reservoir.

IT IS THEREFORE ORDERED:

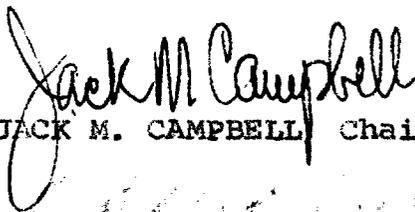
(1) That Gulf Oil Corporation is hereby authorized to produce and flare not more than 3000 MCF of gas per day for a period not to exceed nine days from its Hackberry Hills Unit Well No. 1, located in Unit O of Section 1, Township 22 South, Range 25 East, NMPM, Eddy County, New Mexico.

(2) That Gulf Oil Corporation shall notify the District Supervisor, Oil Conservation Commission, District No. 2, Artesia, New Mexico, in writing, of the exact time and date the gas well test authorized by this order will begin.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman

E. S. WALKER, Member


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



esr/