



-2-Order No. R-6 95

(5) That Gulf Oil Corporation is the owner of an oil and gas lease covering, among other lands, Lots 3 and 4 of fractional Section 36, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico, and that applicant proposes to drill a well in Lot 3, located 660 feet east of the west line and 1757 feet south of the north line of said fractional Section 36, the well to be known as the Eddy State "AG" No. 3, to be completed in the common source of supply heretofore designated as the North Mason-Delaware Pool.

(6) That applicant's proposed well, Eddy State "AG" No. 3, will efficiently and economically drain the proposed oil proration unit; that the formation of the proposed unit will not result in waste, but will prevent the drilling of unnecessary wells and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Gulf Oil Corporation for approval of an unorthodox oil proration unit consisting of the following acreage:

TOWNSHIP 26 SOUTH, RANGE 31 EAST, NMPM Lots 3 and 4 of fractional Section 36

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

(2) That applicant's well, Eddy State "AG" No. 3, located in Lot 3 of fractional Section 36, Township 26 South, Range 31 East, NMPM, Eddy County, New Mexico, North Mason-Delaware Pool, shall be granted an allowable effective on completion of well in the proportion that the above-described 50.6 acre unit bears to the standard proration unit for said pool.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

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