

CASE 4624: Application of GULF  
OIL CORP. FOR A NON-STANDARD GAS  
PRORATION UNIT, LEA COUNTY.

*Set for Nov. 17*

Case Number  
4624

Application

Transcripts

Small Exhibits

ETC.

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS  
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FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
November 17, 1971

IN THE MATTER OF:

Application of Gulf Oil  
Corporation for a non-  
standard gas proration unit,  
Lea County, New Mexico.

Case No. 4624

BEFORE:

Elvis A. Utz, Examiner.

Transcript of Hearing

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HEARING EXAMINER: Case 4624:

MR. HATCH: Case 4624: Application of Gulf Oil Corporation for a non-standard gas proration unit, Lea County, New Mexico.

MR. KASTLER: If the Examiner please, I am Bill Kastler, an attorney qualified in New Mexico, residing in Midland, Texas, appearing on behalf of Gulf Oil.

Our only witness this morning will be Mr. Bobo.

R. O. BOBO

a Witness, having been first duly sworn according to law, upon his oath testified as follows:

(Whereupon Exhibits 1 thru 3 were marked for identification by the Reporter.)

DIRECT EXAMINATION

BY MR. KASTLER

Q Mr. Bobo, for the record, please state your name and your position with your employer, that is, where you reside, and what you do?

A O.K. I am Robert Bobo.

I am the District Proration Engineer for Gulf Oil Corporation out of Midland, Texas.

Q Have you previously appeared before a New Mexico Oil Conservation Commission Examiner Hearing and qualified as an expert to testify on behalf of Gulf?

A Yes.

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1 Q Are you familiar with the Gulf application in Case No.  
 2 4624?

3 A Yes, I am. We are asking for approval to consolidate two  
 4 160 acre non-standard gas proration units into one 320  
 5 acre non-standard gas proration unit, and for approval to  
 6 produce the 320 acre non-standard gas proration unit  
 7 allowable in any proportion from the existing individual  
 8 unit wells.

9 Q Will you please explain what is shown on Exhibit No. 1?

10 A Exhibit No. 1 is a plat showing Gulf's Amos B. Reeves lease  
 11 outlined in green, consisting of 320 acres, 160 acres in  
 12 the north half of the south half of Section 29, and 160  
 13 acres in the South half of the north half of Section 29,  
 14 Township 20-S, Range 37 East, Lea County, New Mexico.

15 The 160 acre tracts are outlined in red and represent  
 16 existing non-standard gas proration units.

17 The unit wells are circled in red.

18 The larger circles are 1,500 foot radius circles.

19 Cities' Service is the only offset operator with a  
 20 well lying within the 1,500 foot circle of either well, and  
 21 is approximately 1,300 feet west of Gulf A.B. Reeves' well  
 22 no. 1.

23 Sun Oil Company's A.B. Reeves No. 2 well is located in  
 24 Section 29 approximately 1,800 feet north of Gulf A.B. Reeves  
 25 well no. 2.

1 No. 2, but I did on my copy here show the current October  
2 1 status for the wells, for the seven wells, the A. B.  
3 Reeves No. 1 as of October 1, 10,128 over.

4 The A. B. Reeves No. 2 was 3,006 under.

5 The Bell-Ramsay Well No. 1 was 8,580 under.

6 The Bell-Ramsay No. 3 was 5,724 over.

7 The Cities Service State F No. 2 well was 4,952 over.

8 The Amerada Hess State (W) No. 2 well was 12,521 under.

9 Now, looking at the cumulative production between the  
10 years 1958 and 1970, the thirteen-year period, the A. B.  
11 Reeves No. 1 well produced 1,172,885 Mcf.

12 A. B. Reeves No. 2, the well that is deficient now,  
13 produced 1,273,081 Mcf.

14 The Bell-Ramsay No. 1 well produced 1,207,310, and  
15 the Bell-Ramsay No. 3 produced 1,095,678.

16 Cities Service Company State "F" No. 2 produced 848,910.

17 Q What does that produce if you extrapolate it?

18 A If you extrapolate that to 160 acres, this would be  
19 1,091,966, that Amerada Hess produced.

20 The Sun Oil's wells A. B. Reeves No. 2 produced  
21 1,112,443.

22 MR. KASTLER: I made the statement while ago off the  
23 record, I do have, I have got a Xerox copy of it.

24 MR. HATCH: Maybe the Examiner would like to have it.

25 MR. KASTLER: Let's enter it as Exhibit 2A then. I

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1 Gulf Bell-Ramsay NCT-B No. 1 and Bell-Ramsay NCT-B No.  
 2 3 offset Gulf A.B. Reeves to the south and east respective-  
 3 ly.

4 Exhibit No. 2, to be discussed later, shows that these  
 5 two wells are efficient.

6 One other statement: The circled wells on this plat  
 7 are other Eumont gas wells.

8 Q Can you give the history on Gulf's A.B. Reeves No. 1 and  
 9 No. 2 wells?

10 A Gulf's A.B. Reeves well No. 1 well was located 1,980 feet  
 11 from the south line and 660 feet from the west line of  
 12 Section 29, Township 20-S, Range 37 East, Lea County, New  
 13 Mexico, and was originally completed July 2nd, 1936, as an  
 14 oil well in the Eunice and San Andres pool.

15 In April, 1955 the well was plugged back to the  
 16 Eumont Gas Pool.

17 By administrative order, a 160 acre non-standard gas  
 18 proration unit was approved with Well No. 1 designated the  
 19 unit well.

20 Gulf's A.B. Reeves Well No. 2, located 1,980 feet from  
 21 the north line and 660 feet from the west line of Section  
 22 29, Township 20-S, Range 37 East, Lea County, New Mexico,  
 23 was originally completed July 20, 1937 as an oil well in  
 24 the Eunice Upper San Andres pool.

25 In November, 1954, the well was plugged back to the



1 Eumont gas pool.

2 By administrative order, oil in--SP-93--160 acre non-  
3 standard gas proration unit was approved with Well No. 2  
4 designated the unit well.

5 Exhibit 2 and 3 give the production history and other  
6 information relative to the subject two wells.

7 Q What does Exhibit No. 2 show?

8 A Exhibit No. 2 is a produced gas tabulation of wells in  
9 close proximity of Gulf's A. B. Reeves wells No. 1 and 2.

10 This information was compiled from the Annual Report  
11 of the New Mexico Oil and Gas Engineering Committee.

12 Other than Cities Service State F No. 2, which was  
13 120 acre gas proration unit, all of the wells presently  
14 have 160 acre gas proration units.

15 I think this exhibit shows that there has been  
16 equitable take from the Eumont gas pool by these wells  
17 since gas proration was instituted on July 1st, 1954 for  
18 the pool.

19 Q January 1st?

20 A January 1st--I beg your pardon--1954 for the pool.

21 This is even more evident if the Cities' Service  
22 production is extrapolated to represent a 160 acre  
23 proration unit, and if the cumulative production is  
24 reviewed between the years 1958 to 1970.

25 Now, I didn't make these calculations on my Exhibit

1 have some extra copies.

2 DIRECT EXAMINATION  
3 (CONTINUED)

3 BY MR. KASTLER

4 Q In other words, Mr. Bobo, each of these wells under  
5 scrutiny here produced between 1,000,000 and 1,273,000 Mcf  
6 cumulatively during this period of proration?

7 A Yes, during the thirteen years involved.

8 The reason I started in 1958, the Sun Oil Well was  
9 completed in October of '57, so '58 was the first full  
10 year that it had. That is the reason I picked the period  
11 '58 through 1970.

12 Q From that you would conclude that the pool is in excellent  
13 balance and the Correlative Rights have been accorded?

14 A Yes, I feel there has been equitable take from the  
15 reservoirs in this general vicinity, the well in question.

16 Q Please state what Exhibit No. 3 shows?

17 A Exhibit No. 3 is the "Shut-in Pressure & Producing  
18 Interval" in the same seven wells that we had in Exhibit  
19 No. 2, and they show the 72 hour annual shut-in pressure.

20 HEARING EXAMINER: And you have the 72 hour--

21 THE WITNESS: Yes, shut-in pressure, yes.

22 HEARING EXAMINER: --test. All right.

23 THE WITNESS: I might point out that the perforation  
24 there extends over 190 feet.

25 Our A. B. Reeves Well No. 2 is actually in the Penrose sand

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1 portion of the Quin sand, whereas the Reeves No. 1 and Bell-  
 2 Ramsay No. 1 and the Cities Service well extend on up into the  
 3 Quin sand.

4 Q From this Exhibit No. 3, would you also conclude that the  
 5 pool is substantially perforated in the same area and in  
 6 pressure, you are speaking on pressure terms in balance?

7 A Right, of course, you need the ground elevation, which is  
 8 twenty-five thirty-nine there. It is relatively flat, so  
 9 the subsurface perforation here represents more or less the  
 10 position in the reservoirs of the seven wells.

11 Q (By Mr. Kastler) What is the reason for asking approval to  
 12 consolidate the 260 acre non-standard gas proration units  
 13 at this time?

14 A Well, the Gulf A. B. Reeves No. 2 has declined to a limited  
 15 deliverability of between eleven and thirteen million per  
 16 month, while the 160 acre allowable ranges anywhere from  
 17 five to sixteen million per month and is unable to make up  
 18 under production.

19 The costly work has been considered, and it would be  
 20 in excess of \$10,000, and could be performed on Well No. 2  
 21 to attempt an increase in deliverability, but a pay-out  
 22 would be prohibitive.

23 We could install a compressor to reduce the well's  
 24 back pressure, but this would involve a large expenditure,  
 25 and again, a pay-out would be prohibitive.

1           The Gulf A. B. Reeves Well No. 1 is producing between  
2           23 to 27 million per month.

3           Consequently, the two wells combined should be able  
4           to produce the full 320 acre allowable for some time.

5           It is our position that the approval of this  
6           application will afford Gulf the opportunity to produce  
7           its just and equitable share of the gas in the Eumont gas  
8           pool and will protect Correlative Rights.

9   Q   Then this application is, in your opinion, in the interest  
10       of the protection of Correlative Rights?

11   A   Yes, I think our Exhibit No. 1 shows Gulf's A. B. Reeves  
12       leases are fully developed and surrounded by existing gas  
13       proration units.

14   Q   Do you have anything further to add in this case?

15   A   Well, only that the Commission has previously approved  
16       similar applications in the Eumont gas pool and in the  
17       Jal mat gas pool.

18   Q   Were Exhibits 1, 2, and modified 2A and Exhibit 3 all  
19       prepared by you or at your direction and under your  
20       supervision?

21   A   Yes, they were.

22   Q   At this time I would like to move that these exhibits 1, 2,  
23       2-A and 3 be entered into evidence in this case.

24           HEARING EXAMINER: Without objection, Exhibits 1, 2,  
25       2-A and 3 will be entered into the record of this case.

1 MR. KASTLER: This completes our direct examination.

2 HEARING OFFICER: Mr. Bobo, I notice the number two  
3 well made up over six million of its under production during the  
4 month of September.

5 Was the month of September allowable exceptionally low?

6 THE WITNESS: September allowable was sixty-two ten,  
7 only Well No. 2, the Northern Natural Gas Company, the transpor-  
8 ter of the gas, has a few small compressors that they move  
9 around over the Field, and it is my understanding they have  
10 recently put a compressor on this Well No. 2 to help make up  
11 some of the shortage.

12 We did have 25,000,000 cubic feet of gas canceled at the  
13 end of the proration period ending July 1.

14 HEARING OFFICER: Is that your explanation for the  
15 well overproducing its allowable in the month of September?

16 THE WITNESS: Yes.

17 HEARING EXAMINER: They didn't have a compressor on  
18 it?

19 THE WITNESS: Yes, that is my understanding. They are  
20 trying to reduce the line pressure in the Field.

21 It has been ranging up around 300 pounds, and they are  
22 installing some permanent type compressors to try to pull the  
23 line pressure down to 150 pounds, and then later on to even pull  
24 it down further as the reservoir pressure is depressed.

25 Q These wells then do respond quite readily to lower line

1 pressure?

2 THE WITNESS: Apparently, they do. I don't know if it  
3 would--how long they would hold up over a period of time.

4 The wells do not make any water, it is my understanding.

5 In fact, they make just dry gas.

6 The gas flow from the well head goes through a drain which  
7 accumulates any condensation as it goes through the meter, and  
8 then direct into the transmission line, without any further  
9 separation.

10 HEARING EXAMINER: Mr. Bobo, we had a couple of  
11 suggestions from your offset, namely to produce a number two  
12 well to its fullest extent before making up any allowable with  
13 the number one well.

14 Would you regard that as an acceptable provision?

15 THE WITNESS: Yes, we intend to continue--in fact, the  
16 allowable now for November are for a 320 acre unit, and would be  
17 29,582, and even on our number one well, wouldn't even make that,  
18 so we will have to keep the number two on the system, and we  
19 will maintain the meters, and the production will be metered  
20 from both wells.

21 HEARING OFFICER: Are there any questions of the  
22 witness?

23 You may be excused.

24 Any statements in the case?

25 MR. HATCH: The Commission has received telegrams.

1 They should be read into the record.

2 The telegrams addressed to the Commission, one is dated  
3 November 16, 1971, Re: Case 4624, Eumont Gas Pool Sun Oil  
4 Company objects to the granting of the application of Gulf Oil  
5 Company for a non-standard gas unit as proposed in the  
6 referenced case. Allowing either well to produce the 320 acre  
7 allowable in any proportion would result in drainage that could  
8 not be compensated for by counter drainage from offsetting wells.

9 /s/ "H. R. Huey."

10 Another telegram, November 16, 1971 addressed to the Oil  
11 Conservation Commission:

12 "Re: Case No. 4624 Cities Service Oil Company operates the  
13 State-F lease, a direct offset to Gulf's A. B. Reeves lease for  
14 which Gulf has requested consolidation of two non-standard 160  
15 acre proration units into one non-standard unit of 320 acres to  
16 be dedicated to Wells 1 and 2 located in Units L and E Section  
17 29, TWP-20-S, Range 37-E, Lea County, New Mexico.

18 "Applicant further requests permission to produce allowable  
19 from either of the two wells in any proportion.

20 "Producing history and present status of these wells  
21 indicate Well 2 (Location E, Sec. 29) does not have the capacity  
22 to produce the normal 160 acre non-standard allowable while  
23 Reeves Well No. 1 (Location L, Section 29) has excess capacity  
24 to produce the allowable assigned to a non-standard 160 acre  
25 proration unit.

dearnley-meier reporting company

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1 "To protect Correlative Rights, Cities Service objects to  
2 the production of allowable in any proportion from either well  
3 "In lieu of this request, Cities recommends that Reeves  
4 Well No. 2 (Location E, Section 29) be produced at capacity  
5 each month and the remainder of the allowable for the proposed  
6 320 acre unit be produced from Reeves Well No. 1 (Location L,  
7 Section 29).  
8 "Your careful consideration of this request is respectfully  
9 requested."  
10 /s/ E. F. Motter, Regional Engineer,  
11 Southwestern Region Production Division.  
12 MR. HATCH: That is all.  
13 HEARING EXAMINER: Any other statements?  
14 The case will be taken under advisement.  
15 MR. HATCH: Where is that Cities Service acreage?  
16 MR. KASTLER: Immediately to the west.  
17 That is within 1,500 foot radius, it should be 1,320 feet.  
18  
19  
20  
21  
22  
23  
24  
25



1 STATE OF NEW MEXICO )  
2 COUNTY OF BERNALILLO )

3 I, RICHARD STURGES, Certified Shorthand Reporter, do  
4 hereby certify that the foregoing and attached Transcript of  
5 Hearing before the New Mexico Oil Conservation Commission was  
6 reported by me; and that the same is a true and correct  
7 record of the said proceedings, to the best of my knowledge,  
8 skill and ability.

9  
10 *Richard Sturges*  
11 CERTIFIED SHORTHAND REPORTER

12  
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21  
22 I do hereby certify that the foregoing is  
23 a complete record of the proceedings in  
24 the examiner hearing of Case No. 46-24.  
25 heard by me on *May 17, 1971*.  
*Thomas J. [Signature]*, Examiner  
New Mexico Oil Conservation Commission



## OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
P. O. BOX 2068 - SANTA FE  
87501

November 19, 1971

GOVERNOR  
BRUCE KING  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMJO  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. Bill Kastler  
Gulf Oil Corporation  
Post Office Drawer 1150  
Midland, Texas 79701

Re: Case No. 4624  
Order No. R-4224  
Applicant:  
Gulf Oil Corporation

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

Other \_\_\_\_\_

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. 4624  
Order No. R-4224

APPLICATION OF GULF OIL  
CORPORATION FOR A NON-STANDARD  
GAS PRORATION UNIT, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 17, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 19th day of November, 1971, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, is the owner and operator of two 160-acre non-standard gas proration units comprising the S/2 N/2 and the N/2 S/2, respectively, of Section 29, Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the N/2 S/2 of said Section 29 is presently dedicated to the applicant's A. B. Reeves Well No. 1, located in Unit L of said Section 29.

(4) That the S/2 N/2 of said Section 29 is presently dedicated to the applicant's A. B. Reeves Well No. 2, located in Unit E of said Section 29.

-2-

CASE NO. 4624  
Order No. R-4224

(5) That the applicant now seeks the consolidation of the two existing non-standard gas proration units to form one 320-acre non-standard unit comprising the S/2 N/2 and N/2 S/2 of Section 29, said unit to be simultaneously dedicated to its aforesaid A. B. Reeves Wells No. 1 and 2.

(6) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.

(7) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the A. B. Reeves Wells No. 1 and 2.

(8) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool, and will otherwise prevent waste and protect correlative rights.

(9) That Administrative Orders NSP-93 and NSP-97 should be superseded.

IT IS THEREFORE ORDERED:

(1) That, effective December 1, 1971, a 320-acre non-standard unit in the Eumont Gas Pool comprising the S/2 N/2 and N/2 S/2 of Section 29, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the A. B. Reeves Wells Nos. 1 and 2, located in Units L and E, respectively, of said Section 29.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 320-acres; and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) That the cumulative overproduction/underproduction status of said consolidated unit shall be the combined cumulative overproduction/underproduction statuses as of December 1, 1971, of the two units being consolidated.

(4) That the cancellation status of said consolidated unit shall be the combined cancellation statuses as of December 1, 1971, of the two individual units being consolidated.

-3-

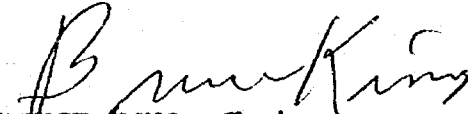
CASE NO. 4624  
Order No. R-4224

(5) That Administrative Orders NSP-93 and MSP-97 are hereby superseded.

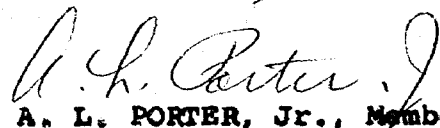
(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

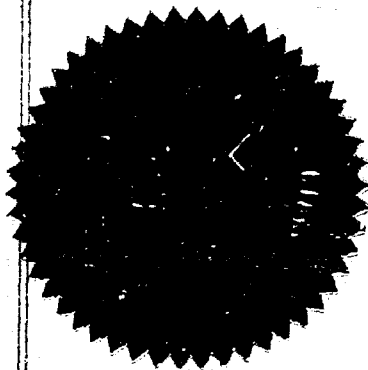
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
BRUCE KING, Chairman

  
ALEX J. ARMIJO, Member

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

S E A L



dr/

Case 4674  
Hear 11-17-71  
Rec. 11-17-71

Grant Gulf's request for  
a dual well permit for the  
A.B. Reeves #1  $\frac{1}{2}$  Sec. 29 ( $\frac{1}{2}$  4<sup>th</sup> N<sup>th</sup>)  
and the A.B. Reeves #2  $\frac{1}{2}$  L 29 ( $\frac{1}{2}$  2<sup>nd</sup> S<sup>th</sup>)  
being a 320 unit - Tremont Sec.

The wells are both N. Mang.  
The new unit status shall  
be the sum of the above  
2 units.

Effective date shall be.  
12-1-71.

Thos. D. [Signature]



Western Union

Telegram

KA090 K CCG279

RECEIVED

AT 320CC325279)PD=SUN OIL RGNL BAL 11/15/56 PM 12-58

ZCZC 001 PD DALLAS TEXAS

NEW MEXICO OIL CONSERVATION COMMISSION =

STATE LAND OFFICE BLDG. SANTA FE, N. M. ==

BT ==RE: CASE 4624 EUMONT GAS POOL ==SUN OIL CO.

OBJECTS TO THE GRANTING OF THE APPLICATION OF GULF OIL CO. FOR A NON-STANDARD GAS UNIT AS PROPOSED IN THE REFERENCED CASE. ==ALLOWING EITHER WELL TO PRODUCE THE 320 ACRE ALLOWABLE IN ANY PROPORTION WOULD RESULT IN DRAINAGE THAT COULD NOT BE COMPENSATED FOR BY COUNTER DRAINAGE FROM OFFSETTING WELLS. ==



western union

Telegram

1971 NOV 16 PM 04:28 EST

H R HUEY =

WU 1201 (R 5-69)





Western Union

Telegram

KAQ41 NSA145

1971 NOV 16 AM 10 13

NS MDA013 RX PD=MIDLAND TEX 16 1018A CST=  
NEW MEXICO OIL CONSERVATION COMM=  
SANTA FE NMEX=

ATTENTION MR ELLIS UTZ

RE: CASE NO. 4624

RECEIVED  
1971 NOV 16  
NEW MEXICO OIL CONSERVATION COMM

CITIES SERVICE OIL COMPANY OPERATES THE STATE OF  
LEASE, A DIRECT OFFSET TO GULF'S A B REEVES LEASE FOR  
WHICH GULF HAS REQUESTED CONSOLIDATION OF TWO  
NON-STANDARD 160 ACRE PRORATION UNITS INTO ONE  
NON-STANDARD UNIT OF 320 ACRES TO BE DEDICATED TO  
WELLS 1 AND 2 LOCATED IN UNITS L AND E SECTION 29,  
TWP 20S, RANGE 37E, LIA COUNTY, NEW MEXICO.



Western Union

Telegram

APPLICANT FURTHER REQUESTS PERMISSION TO PRODUCE  
ALLOWABLE FROM EITHER OF THE TWO WELLS IN ANY  
PROPORTION

PRODUCING HISTORY AND PRESENT STATUS OF THESE  
WELLS INDICATE WELL 2 (LOCATION E, SEC 29) DOES NOT  
HAVE THE CAPACITY TO PRODUCE THE NORMAL 160 ACRE  
NON-STANDARD ALLOWABLE WHILE REEVES WELL NO. 1  
(LOCATION L, SECTION 29) HAS EXCESS CAPACITY TO  
PRODUCE THE ALLOW ALLOWABLE ASSIGNED TO A NON-STANDARD  
160 ACRE PRORATION UNIT.

TO PROTECT CORRELATIVE RIGHTS, CITIES SERVICE  
OBJECTS TO THE PRODUCTION OF ALLOWABLE IN ANY

Western Union

Telegram

PROPORTION FROM EITHER WELL. IN LIEU OF THIS REQUEST,  
CITIES RECOMMENDS THAT REEVES WELL NO. 2 (LOCATION E,  
SECTION 29) BE PRODUCED AT CAPACITY EACH MONTH AND THE  
REMAINDER OF THE ALLOWABLE FOR THE PROPOSED 320 ACRE  
UNIT BE PRODUCED FROM REEVES WELL NO. 1 (LOCATION E,  
SECTION 29).  
YOUR CAREFUL CONSIDERATION OF THIS REQUEST IS  
RESPECTFULLY REQUESTED.

E F MOTTER REGIONAL ENGINEER SOUTHWESTERN REGION  
PRODUCTION DIVISION

Docket No. 25-71

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 17, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE  
LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or  
Daniel S. Nutter, Alternate Examiner:

ALLOWABLE: (1) Consideration of the allowable production of gas for  
December, 1971, from fifteen prorated pools in Lea,  
Eddy, Roosevelt and Chaves Counties, New Mexico, and also  
presentation of purchaser's nominations for said pools  
for the six-month period beginning January 1, 1972.

(2) Consideration of the allowable production of gas  
from nine prorated pools in San Juan, Rio Arriba, and  
Sandoval Counties, New Mexico, for December, 1971.

CASE 4624: Application of Gulf Oil Corporation for a non-standard  
gas proration unit, Lea County, New Mexico. Applicant,  
in the above-styled cause, seeks the consolidation of  
two non-standard gas proration units into one 320-acre  
non-standard unit comprising the S/2 N/2 and N/2 S/2  
of Section 29, Township 20 South, Range 37 East, Eumont  
Gas Pool, Lea County, New Mexico, to be dedicated to its  
A. B. Reeves Wells No. 1 and 2 located, respectively,  
in Units L and E of said Section 29. Applicant further  
seeks authority to produce the allowable assigned to  
said unit from either of said wells in any proportion.

CASE 4625: Application of Texaco Inc. for downhole commingling,  
Eddy County, New Mexico. Applicant, in the above-styled  
cause, seeks authority to commingle production from the  
Paduca-Morrow and Paduca-Wolfcamp Gas Pools in the well-  
bore of its Cotton Draw Unit Well No. 65 located in Unit  
G of Section 2, Township 25 South, Range 31 East, Eddy  
County, New Mexico.

CASE 4627: Application of Anadarko Production Company for a water-  
flood expansion, Lea County, New Mexico. Applicant,  
in the above-styled cause, seeks authority to expand its  
Langlie-Mattix Penrose Sand Unit Waterflood Project by  
the addition of four injection wells at non-standard  
locations in Township 22 South, Range 37 East, Langlie-  
Mattix Pool, Lea County, New Mexico, as follows:

\*\*\*\*\*

(Case 4627 continued)

Well No. 8-5	10 feet from the North line and 10 feet from the West line of Section 21;
Well No. 1-2	1310 feet from the South and West lines of Section 14;
Well No. 40-1	1650 feet from the South line and 1310 feet from the West line of Section 23;
Well No. 2-2	990 feet from the North line and 1310 feet from the West line of Section 23;

CASE 4609: (Continued from the October 13, 1971 Examiner Hearing)  
Application of Jack L. McClellan for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sulimar-Queen Unit Area comprising 1520 acres, more or less, of Federal lands in Sections 13, 23, 24, 25, and 26 of Township 15 South, Range 29 East, and Sections 18 and 19 of Township 15 South, Range 30 East, Chaves County, New Mexico.

CASE 4539: (Continued from the October 13, 1971 Examiner Hearing)  
In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Doanbuy Lease & Company, Inc., and all other interested persons to appear and show cause why its following described wells in Section 27, Township 14 South, Range 33 East, Saunders Pool, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4593: (Continued from the October 13, 1971, Examiner Hearing)  
Application of Continental Oil Company for an exception to Order No. R-3221, as amended, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, to dispose of water produced by wells located on its W. R. Means lease comprising the S/2 and NW/4 of Section 28, and E/2 and E/2 W/2 of Section 29, Township 14 South, Range 30 East, Vest Ranch-Queen Pool, Chaves County, New Mexico, in unlined surface pits.

CASE 4613: Continued from the October 27, 1971, Examiner Hearing Application of Scoggins Petroleum Corporation for creation of a new gas pool and special rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Morrow gas pool for its State BI Well No. 1 located in Unit F of Section 33, Township 18 South, Range 25 East, Eddy County, New Mexico, and the promulgation of special rules therefor, including a provision for 640-acre spacing units.

CASE 4626: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Lea and Roosevelt Counties, New Mexico.

(a) Create a new pool in Lea County, New Mexico classified as an oil pool for Drinkard production and designated as the Garrett Drinkard Pool.

The discovery well is the Green & Michaelson Producing Company, Burson Well No. 1 located in Unit C of Section 28, Township 16 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 38 EAST, NMPM  
SECTION 28: NW/4

(b) Extend the Justis Tubb/Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
SECTION 12: SE/4

(c) Extend the Vacuum-Abo Reef Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM  
SECTION 18: S/2

(d) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
SECTION 15: NE/4 and N/2 SE/4  
SECTION 27: NW/4  
SECTION 28: NE/4

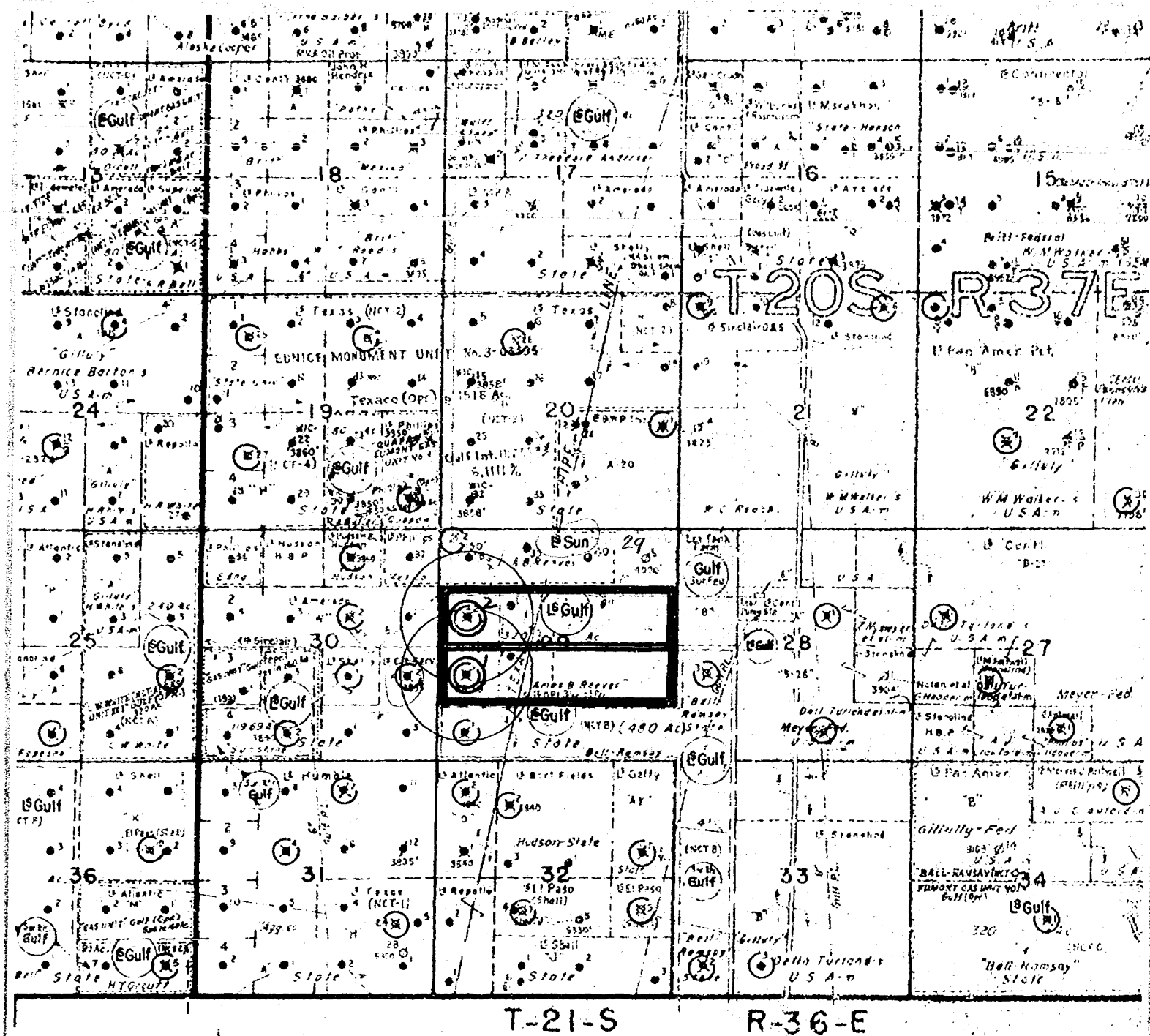
-4-

Examiner Hearing - November 17, 1971

(Case 4626 Continued)

(e) Extend the Vada-Pennsylvanian Pool in Roosevelt  
County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM  
SECTION 35: SW/4



GULF OIL CORPORATION  
 AMOS B. REEVES LEASE  
 EUMONT GAS POOL  
 Lea County, New Mexico  
 1" = 3000'

BEFORE EXAMINER UTZ  
 OIL CONSERVATION COMMISSION  
 EXHIBIT NO. 4624  
 CASE NO. 4624



Existing Non-Standard Unit



Proposed Consolidated Non-Standard Unit



Existing Unit Wells



Eumont Gas Pool Wells

Exhibit No. 1  
 Case No. 4624  
 November 17, 1971



SELECT WELLS  
EMONT GAS POOL  
LRA COUNTY, NEW MEXICO

YEAR	GULF A. B. REEVES NO. 1 160-Acre Unit		GULF A. B. REEVES NO. 2 160-Acre Unit		GULF BELL-RANSAY (NCT-B) NO. 1 160-Acre Unit		GULF BELL-RANSAY (NCT-B) NO. 3 160-Acre Unit		CITIES SERVICE STATE "F" NO. 2 120-Acre Unit		AMERADA HESS STATE "F" NO. 2 160-Acre Unit		SUN OIL A. B. REEVES NO. 2 160-Acre Unit	
	ANNUAL GAS MCF	CUM. GAS MCF	ANNUAL GAS MCF	CUM. GAS MCF	ANNUAL GAS MCF	CUM. GAS MCF	ANNUAL GAS MCF	CUM. GAS MCF	ANNUAL GAS MCF	CUM. GAS MCF	ANNUAL GAS MCF	CUM. GAS MCF	ANNUAL GAS MCF	CUM. GAS MCF
1955	63,581	63,581	119,687	177,016	Shut In	3,892,215	16,815	16,815	110,070	356,525	141,921	364,432	-	-
1956	136,752	200,333	131,183	308,199	69,791	3,962,006	165,932	182,747	120,026	476,551	124,506	488,939	-	-
1957	184,741	385,074	208,280	516,479	211,733	4,173,739	51,040	233,787	104,776	581,327	169,299	658,237	106,695	78,111
1958	67,294	452,358	136,129	652,608	90,704	4,264,443	66,532	300,319	54,665	635,992	86,570	744,807	114,894	184,816
1959	55,923	508,291	96,837	749,445	52,927	4,317,370	66,532	300,319	46,975	682,967	50,994	795,801	114,894	299,710
1960	103,937	612,228	133,247	882,692	89,377	4,406,747	99,919	400,238	65,653	752,620	86,343	882,144	74,730	374,410
1961	117,322	729,550	52,484	935,176	68,380	4,475,127	70,979	471,217	52,488	805,108	66,687	948,831	74,730	436,140
1962	92,910	821,460	131,228	1,066,404	76,132	4,551,259	93,562	564,779	77,877	882,985	103,567	1,052,398	61,690	497,830
1963	60,156	881,616	92,492	1,158,896	84,203	4,635,462	52,975	617,754	39,770	922,755	63,573	1,115,971	71,894	568,720
1964	127,583	1,009,199	175,728	1,334,624	79,283	4,714,745	90,812	708,566	75,110	985,865	96,986	1,212,957	88,062	656,780
1965	54,800	1,063,999	99,500	1,434,124	100,195	4,814,940	90,812	842,985	63,136	1,061,234	118,907	1,331,864	96,339	752,019
1966	88,534	1,152,533	52,695	1,486,819	93,848	4,908,788	48,289	891,274	68,136	1,129,370	45,431	1,377,295	78,746	830,765
1967	76,914	1,229,447	76,133	1,562,952	73,020	4,981,808	78,781	970,055	65,968	1,195,338	80,766	1,458,061	49,533	880,300
1968	223,887	1,353,334	117,680	1,680,632	138,534	5,120,342	144,763	1,114,818	88,713	1,284,051	131,903	1,589,964	138,831	1,019,119
1969	103,937	1,457,271	103,464	1,784,096	134,199	5,254,541	110,462	1,225,280	131,892	1,415,943	145,278	1,735,242	113,419	1,132,568
1970	167,982	1,625,253	141,593	1,925,689	217,212	5,471,753	104,205	1,329,485	68,959	1,484,902	101,531	1,836,773	134,721	1,267,289
1971														
Jan.	27,146		13,325		230		12,830		80		18,619		17,286	
Feb.	23,128		12,608		1,105		20,973		24,197		15,825		17,772	
Mar.	154		13,618		51,172		21,393		21,839		17,530		13,842	
Apr.	137		12,418		219		18,576		16,882		16,770		13,356	
May	109		11,790		202		12,849		14,931		15,359		13,805	
June	48		10,617		210		8,651		13,195		41		14,763	
July	24,305		12,249		384		10,560		38		98		9,523	
Aug.	24,659		12,950		226		14,406		105				5,392	

SEPTEMBER 1  
STATUS

16,228 (Over)

9,128 (Under)

2,505 (Under)

6,726 (Under)

9,533 (Over)

13,105 (Under)

14,354 (Under)

12,554

BEFORE EXAMINER UTZ  
OIL CONSERVATION COMMISSION  
EXHIBIT NO. 2  
CASE NO. 4624

GULF OIL CORPORATION  
EXHIBIT NO. 2  
CASE NO. 4624  
NOVEMBER 17, 1971

BEFORE EXAMINER UTZ  
OIL CONSERVATION COMMISSION  
CASE NO. 4624  
EXHIBIT NO. 2717

3529

SELECT WELLS  
EUMONT GAS POOL  
LEA COUNTY, NEW MEXICO

N.M.G.

ANERADA HESS  
STATE "H" NO. 2

SUN OIL  
A. B. REEVES NO. 2

YEAR	ANNUAL GAS	CUM. GAS	ANNUAL GAS	CUM. GAS	ANNUAL GAS	CUM. GAS	ANNUAL GAS	CUM. GAS	ANNUAL GAS	CUM. GAS	ANNUAL GAS	CUM. GAS
1955	63,581	63,581	119,687	177,016	Shut In	3,092,215	16,815	16,815	110,070	356,525	141,921	364,433
1956	136,752	200,333	131,183	308,199	69,791	3,962,006	165,932	182,747	120,026	476,551	124,506	488,939
1957	184,741	385,074	208,280	516,479	211,733	4,173,739	51,040	233,787	104,776	581,327	169,298	658,237
1958	67,294	452,368	136,129	652,608	90,704	4,264,443	66,532	300,319	54,665	635,992	86,570	744,807
1959	55,923	508,291	96,837	749,445	52,927	4,317,370	99,919	400,238	46,975	682,967	50,994	795,801
1960	103,937	612,228	133,247	882,692	83,377	4,406,747	70,979	471,217	69,653	752,620	86,343	882,144
1961	117,332	729,560	131,228	935,176	68,380	4,475,127	93,562	564,779	52,488	805,108	66,637	948,831
1962	91,910	821,460	106,404	1,066,404	76,132	4,551,259	52,975	617,754	77,877	882,985	103,567	1,052,398
1963	60,156	881,616	92,492	1,158,896	84,203	4,635,462	90,812	708,566	39,770	922,755	63,573	1,115,971
1964	127,583	1,009,199	175,728	1,334,624	79,283	4,714,745	90,812	842,985	75,369	1,001,234	96,986	1,212,957
1965	54,800	1,063,999	99,500	1,434,124	100,195	4,814,940	48,289	891,274	68,136	1,129,370	45,431	1,331,864
1966	88,534	1,152,533	52,695	1,486,819	93,848	4,908,788	78,781	970,055	65,968	1,195,338	80,766	1,458,061
1967	76,214	1,229,447	76,133	1,562,952	73,020	4,981,808	144,763	1,114,818	88,713	1,284,051	131,903	1,589,964
1968	123,887	1,353,334	117,680	1,680,632	138,534	5,120,342	110,462	1,225,280	131,892	1,415,943	145,278	1,735,242
1969	103,937	1,457,271	103,937	1,784,096	217,212	5,471,753	104,205	1,329,485	68,959	1,484,902	101,531	1,836,773
1970	167,982	1,625,253	141,593	1,925,689								
1971												

YEAR	ANNUAL GAS	CUM. GAS	ANNUAL GAS	CUM. GAS	ANNUAL GAS	CUM. GAS	ANNUAL GAS	CUM. GAS	ANNUAL GAS	CUM. GAS	ANNUAL GAS	CUM. GAS
1955	27,146	27,146	13,325	230	1,105	1,105	12,830	60	18,619	17,286	17,286	17,286
1956	23,128	50,274	12,608	1,105	2,210	2,210	20,973	24,197	15,825	17,772	17,772	17,772
1957	154	50,428	13,618	1,119	3,329	3,329	21,393	21,839	17,530	13,842	13,842	13,842
1958	137	50,565	12,418	1,131	4,440	4,440	18,576	16,882	16,770	13,356	13,356	13,356
1959	109	50,674	11,790	1,143	5,583	5,583	12,849	14,931	16,368	13,805	13,805	13,805
1960	48	50,722	10,617	1,153	6,730	6,730	8,651	13,195	15,859	14,763	14,763	14,763
1961	24,305	75,027	12,249	1,165	7,899	7,899	10,560	23,755	41	9,523	9,523	9,523
1962	24,659	99,686	12,950	1,178	9,079	9,079	14,406	38,161	98	5,392	5,392	5,392
1963	110	100,796	12,532	1,190	10,211	10,211	18,660	56,821	18,619	8,077	8,077	8,077
1964												
1965												
1966												
1967												
1968												
1969												
1970												
1971												

STATUS	16,228 (Over)	9,128 (Under)	2,505 (Under)	6,726 (Under)	9,533 (Over)	13,105 (Under)	14,354 (Under)
Conf. / Statas	10,123 (Over)	3,006 (Under)	8,580 (Under)	5724 (Over)	4,952 (Over)	947 (Under)	12,521 (Under)
1970	1,625,253	1,925,687	5,471,753	1,329,485	1,484,902	1,839,773	1,297,237
1971	1,452,366	652,602	4,264,443	2,337,887	635,992	744,807	1,242,246
1972	1,172,885	1,273,081	1,207,310	1,095,698	848,910	1,071,946	1,122,245

SELECT WELLS  
SHUT-IN PRESSURE & PRODUCING INTERVAL  
EUMONT GAS POOL  
LEA COUNTY, NEW MEXICO

COMPANY WELL	PRODUCING INTERVAL	DATE PRESS. RUN	SHUT-IN TIME HOURS	SHUT-IN PRESSURE PSIA
<u>AMERADA HESS</u>				
State "W" No. 2	3460'-3504'	7-17-69	71	539.9
		7-16-70	71	513.5
		7-4-71	71	452.2
<u>CITIES SERVICE CO.</u>				
State "F" No. 2	3363'-3535'	6-6-69	71	566.5
		7-4-70	71	521.2
		7-4-71	71	419.0
<u>GULF OIL</u>				
Bell-Ramsay (NCT-B) No. 1	3350'-3540'	8-22-69	71	626.5
		4-4-70	70	589.9
		4-4-71	73	525.87
Bell-Ramsay (NCT-B) No. 3	3530'-3646'	6-6-69	71	618.5
		7-23-70	70	576.9
		7-12-71	71	523.4
A.B. Reeves No. 1	3352'-3535'	8-4-69	71	536.9
		7-30-70	71	491.9
		7-12-71	70.8	454.0
A.B. Reeves No. 2	3460'-3580'	6-6-69	71	525.5
		6-20-70	69	445.0
		7-12-71	71	431.7
<u>SUN OIL</u>				
A.B. Reeves No. 2	3410'-3554'	5-9-69	71	559.2
		5-14-70	72	518.2

BEFORE EXAMINER UTZ

OIL CONSERVATION

EXHIBIT NO. 3

CASE NO. 4624

GULF OIL CORPORATION

EXHIBIT NO. 3

CASE NO. 4624

NOVEMBER 17, 1971

# Gulf Oil Company - U.S.

EXPLORATION AND PRODUCTION DEPARTMENT  
MIDLAND DISTRICT

W. B. Hopkins  
DISTRICT MANAGER  
J. A. Hord  
DISTRICT EXPLORATION  
MANAGER  
J. L. Pike  
DISTRICT PRODUCTION  
MANAGER  
H. E. Braunig, Jr.  
DISTRICT PRODUCTION  
MANAGER  
M. B. Moseley  
DISTRICT SERVICES MANAGER

October 12, 1971

P. O. Drawer 1150  
Midland, Texas 79701

RECEIVED

OCT 14 1971

OIL CONSERVATION COMM.  
SANTA FE

Oil Conservation Commission  
State of New Mexico  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.

Re: Application of Gulf Oil Corporation  
for the Consolidation of Two Non-  
Standard Gas Proration Units, Eumont  
Gas Pool, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation respectfully requests an Examiner Hearing for approval to consolidate two 160-acre non-standard gas proration units into one 320-acre non-standard gas proration unit and for approval to produce the 320-acre NSP unit allowable in any proportion from the existing individual unit wells.

Applicant proposes to consolidate the 160-acre NSP unit dedicated to its A. B. Reeves Lease Well No. 1 with the 160-acre NSP unit dedicated to its A. B. Reeves Lease Well No. 2 into a single 320-acre NSP unit. It is proposed that the allowable for this non-standard unit be produced from both wells in any proportion.

In support of this application, the following information is offered:

- (1) Gulf Oil Corporation is the owner and operator of an oil and gas lease known as the Amos B. Reeves Lease consisting of 320-acres - 160 acres in the N/2 of the S/2 of Section 29 and 160 acres in the S/2 of the N/2 of Section 29, T-20-S, R-37-E, Lea County, New Mexico, as shown on attached Exhibit "A".
- (2) The A. B. Reeves Well No. 1, located 1980 feet from the south line and 660 feet from the west line, Section 29, T-20-S, R-37-E, Lea County,



A DIVISION OF GULF OIL CORPORATION

11-4-71

October 12, 1971

New Mexico, was originally completed July 2, 1936, as an oil well in the Eunice-Monument Pool. In April, 1955 the well was plugged back to the Eumont Gas Pool. By Administrative Order NSP-97, a 160-acre non-standard gas proration unit was approved with Well No. 1 being the unit well.

- (3) The A. B. Reeves Well No. 2, located 1980 feet from the north line and 660 feet from the west line of Section 29, T-20-S, R-37-E, Lea County, New Mexico, was originally completed July 20, 1937, as an oil well in the Eunice-Monument Pool. In November, 1954 the well was plugged back to the Eumont Gas Pool. By Administrative Order NSP-93, a 160-acre non-standard gas proration unit was approved with Well No. 2 being the unit well.
- (4) The two wells combined should be able to produce a full 320-acre allowable, thus affording the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool, and protect correlative rights.
- (5) Applicable offset operators have been furnished a copy of this application.

Respectfully submitted,

GULF OIL CORPORATION

By: H. E. Braunig, Jr.  
H. E. BRAUNIG, JR.  
District Production Manager

ROB:mn  
Attachment

cc: New Mexico Oil Conservation Commission  
P. O. Box 1980, Hobbs, New Mexico 88240

Sun Oil Company - Attn: Mr. Jack Andrews  
P. O. Box 1861, Midland, Texas 79701

Cities Service Oil Co. - Attn: Mr. E. F. Motter  
P. O. Box 4906, Midland, Texas 79701

R-36-E

Exhibit "A"

Case 4624

GULF OIL CORPORATION  
AMOS B. REEVES LEASE  
EUMONT GAS POOL  
Lea County, New Mexico



Existing Non-Standard Unit



### Proposed Consolidated Non-Standard Unit



### Existing Unit Wells

DRAFT

GMH/dr

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. 4624

Order No. R-4224

APPLICATION OF GULF OIL  
CORPORATION FOR A NON-STANDARD

GAS PRORATION UNIT, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 17, 1971,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this \_\_\_\_\_ day of November, 1971, the Commission, a  
quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, 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, is the  
owner and operator of two 160-acre non-standard gas proration  
units comprising the S/2 N/2 and the N/2 S/2, of  
Section 29, Township 20 South, Range 37 East  
NMPM, Eumont Gas Pool, Lea County, New Mexico.

-2-

CASE NO. 4624

Order No. R-

(3) That the N/2 S/2 of said Section 29 is presently dedicated to the applicant's A. B. Reeves Well No. 1 located in Unit L of said Section 29.

(4) That the S/2 N/2 of said Section 29 is presently dedicated to the applicant's A. B. Reeves Well No. 2 located in Unit E of said Section 29.

(5) That the applicant now seeks the consolidation of the two existing non-standard gas proration units to form one 320-acre non-standard unit comprising the S/2 N/2 and N/2 S/2 of Section 29, said unit to be simultaneously dedicated to its aforesaid A. B. Reeves Wells No. 1 and 2.

(6) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.

(7) That the proposed <sup>non-</sup>standard gas proration unit can be efficiently and economically drained and developed by the A. B. Reeves Wells No. 1 and 2.

(8) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool, and will otherwise prevent waste and protect correlative rights.

(9) That ~~Administrative Order~~ <sup>NSP-93 and NSP-97</sup> Administrative Orders ~~NSP-93 and NSP-97~~ should be superseded.

IT IS THEREFORE ORDERED:



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CASE NO. 4624

Order No. R-

(1) That, effective December 1, 1971, a 320-acre non-standard unit in the Eumont Gas Pool comprising the S/2 N/2 and N/2 S/2 of Section 29, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the A. B. Reeves Wells Nos. 1 and 2, located in Units L and E, respectively, of said Section 29.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 320-acres; <sup>and</sup> that the operator may produce the allowable assigned to the unit from the subject wells in any proportion, ~~and that~~

(3) That the cumulative overproduction/underproduction status of said consolidated unit shall be the combined cumulative overproduction/underproduction statuses as of December 1, 1971, of the two units being consolidated.

(<sup>under</sup>) (4) That the cancellation status of said consolidated unit shall be the combined cancellation statuses as of December 1, 1971, of the two individual units being consolidated.

(6) (a) 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 hereinabove designated.

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CASE NO. 4624

Order No. R-

(1) That, effective December 1, 1971, a 320-acre non-standard unit in the Eumont Gas Pool comprising the S/2 N/2 and N/2 S/2 of Section 29, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the A. B. Reeves Wells Nos. 1 and

that of the two individual units of the consolidated unit shall be the combined status of the two units being consolidated.

of the two units being consolidated shall be the combined status of the two units being consolidated.

~~the status of said consolidated unit shall be the combined status,~~  
~~as of \_\_\_\_\_ of the two~~  
~~units being consolidated.~~

(5)(8) That Order \_\_\_\_\_ and Administrative Order, NSP-9361 NEP-97 are hereby superseded.

(6)(9) 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 hereinabove designated.