

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. 666
Order No. R-485

THE APPLICATION OF GULF OIL CORPORATION
FOR AN ORDER GRANTING EXCEPTION TO
PARAGRAPH II, SUBSECTION 2, OF ORDER R-264
CONCERNING THE VERTICAL LIMITS OF THE
LANGMAT GAS POOL, LEA COUNTY, NEW
MEXICO, AS IT AFFECTS APPLICANT'S W. A.
RAMSAY, WELL NO. 1, LOCATED IN THE SW/4
SW/4 SW/4 OF SECTION 34, TOWNSHIP 21 SOUTH,
RANGE 36 EAST, NMPM., AND FOR APPROVAL
AND ASSIGNMENT OF FOUR STANDARD 160-ACRE
PRORATION UNITS TO SAID WELL, AND THE
GRANTING OF PROPER ALLOWABLE THERETO:
SAID UNITS BEING THE SW/4 OF SECTION 34,
AND THE SE/4 OF SECTION 33, OF TOWNSHIP 21
SOUTH, RANGE 36 EAST; AND THE NW/4 OF SECTION
3, AND THE NE/4 OF SECTION 4 OF TOWNSHIP 22
SOUTH, RANGE 36 EAST.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m., on February 17, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 30th day of June, 1954, the Commission, a quorum being present, having considered the records and testimony 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 provisions of Rule 7 (a) of Order No. R-369-A the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

Entered 7-26-54 J.F.

(3) (a) That applicant, Gulf Oil Corporation, is the owner of oil and gas leases in Lea County, New Mexico, described as follows:

TOWNSHIP 21 South, RANGE 36 East, NMPM
All of Sections 33 and 34

TOWNSHIP 22 South, RANGE 36 East, NMPM
All of Sections 3 and 4

(3) (b) That applicant, Gulf Oil Corporation, desires to form an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 21 South, RANGE 36 East, NMPM
SE/4 of Section 33, SW/4 of Section 34

TOWNSHIP 22 South, RANGE 36 East, NMPM
NE/4 of Section 4, NW/4 of Section 3

containing 640 acres, more or less.

(4) That applicant, Gulf Oil Corporation, has a producing well on the aforesaid lease known as W. A. Ramsay, No. 1 located 330' from the South line and 330' from the West line of Section 34, Township 21 South, Range 36 East.

(5) That the aforesaid well was completed and in production prior to January 1, 1954, the effective date of Order No. R-369-A, and is located within the horizontal limits of the pool heretofore delineated and designated as the Langmat Gas Pool.

(6) That all of the acreage within the proposed 640 acre unorthodox proration unit is owned by the Gulf Oil Corporation and the State of New Mexico is the lessor and sole royalty owner under all of the described acreage.

(7) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste and will protect correlative rights.

(8) That although the Gulf Oil Corporation, W. A. Ramsay No. 1, is completed at a depth exceeding the vertical limits of the Langmat Gas Pool as presently defined by the Commission, evidence indicates that the well is producing solely from the producing zone of the Langmat Gas Pool and should be classified as a gas well producing from the Langmat Gas Pool.

(9) That the W. A. Ramsay, No. 1, located in the SW/4 SW/4 Section 34, Township 21 South, Range 36 East, NMPM., will efficiently and economically drain 640 acres.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 21 South, RANGE 36 East, NMPM
SE/4 of Section 33, SW/4 of Section 34

TOWNSHIP 22 South, RANGE 36 East, NMPM
NW/4 of Section 3, NE/4 of Section 4

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

(2) That applicant's well, W. A. Ramsay, No. 1, located in the SW/4 SW/4 of Section 34, Township 21 South, Range 36 East, NMPM., be and the same hereby is classified as a gas well producing from the Langmat Gas Pool, and said well shall be granted an allowable from January 1, 1954, in the proportion that the above described 640-acre unit bears to the standard or orthodox proration unit for the Langmat Gas Pool, all until further order of the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary and Member

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