

Entered August 31, 1976



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. 5742
Order No. R-5264

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 18, 1976, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 31st day of August, 1976, 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, seeks approval for a 160-acre non-standard gas proration unit comprising the S/2 NW/4 and W/2 NE/4 of Section 28, Township 21 South, Range 37 East, NMPM, Blinebry Oil and Gas Pool, Lea County, New Mexico.
- (3) That the applicant seeks to simultaneously dedicate to said non-standard unit its Eunice King Wells Nos. 5 and 24, located in Units F and E, respectively, of said Section 28, with unit production to be taken from said wells in any proportion.
- (4) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.
- (5) That the applicant further seeks authority to later substitute its Eunice King Well No. 15, located 2086 feet from the North and West lines of said Section 28 for the aforesaid Well No. 5 in the above-described simultaneous dedication.
- (6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blinebry Oil and Gas Pool and will otherwise prevent waste and protect correlative rights.

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(7) That Commission Order No. R-4368 and Administrative Order NSP-1027, which approved the non-standard gas proration units to be consolidated by this order should be superseded.

IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m. on September 1, 1976, the applicant, Gulf Oil Corporation, is hereby authorized to simultaneously dedicate 160-acre non-standard gas proration unit comprising the S/2 NW/4 and W/2 NE/4 of Section 28, Township 21 South, Range 37 East, NMPM, Blinbry Oil and Gas Pool, Lea County, New Mexico, to its Eunice King Wells Nos. 5 and 24, located in Units F and E, respectively, of said Section 28, with unit production to be taken from said wells in any proportion.

PROVIDED HOWEVER, that upon a proper showing by the applicant, the Secretary-Director of the Commission may substitute applicant's Eunice King Well No. 15 in Unit F of said Section 28 for the aforesaid Well No. 5 in the above-described simultaneous dedication.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 160-acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) That Commission Order No. R-4368 and Administrative Order NSP-1027 are hereby superseded.

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

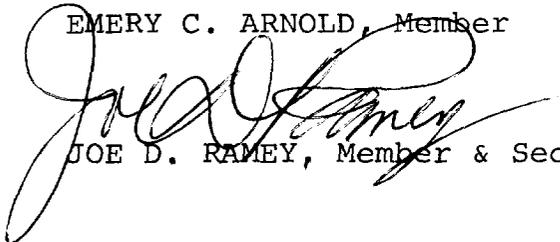
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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