

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. 898
Order No. R-656

THE APPLICATION OF STANOLIND OIL
AND GAS COMPANY FOR AN ORDER
GRANTING APPROVAL OF AN EXCEPTION
TO RULE 5 (a) OF ORDER NO. R-520 IN THE
ESTABLISHMENT OF A 320-ACRE NON-STANDARD
GAS PRORATION UNIT IN THE EUMONT GAS POOL
CONSISTING OF LOTS 9, 10, 15 and 16, AND THE
SE/4 OF SECTION 2, TOWNSHIP 21 SOUTH, RANGE
36 EAST, NMPM, LEA COUNTY, NEW MEXICO,
AND THE ASSIGNMENT OF SAID ACREAGE TO
APPLICANT'S STATE "C" TRACT 11, WELL NO. 1,
LOCATED 660 FEET FROM THE SOUTH AND EAST
LINES OF SAID SECTION 2.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on May 18, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 14th day of July, 1955, the Commission, a quorum being present, having considered the records and the 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 the provisions of Rule 5 (a) of Order No. R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.
- (3) That applicant, Stanolind Oil and Gas Company, is owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal section, and described as follows:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Lots 9, 10, 15, and 16 and the SE/4 of Section 2

containing 320 acres, more or less.

(4) That applicant, Stanolind Oil and Gas Company, has a producing gas well on the aforesaid lease, known as the State "C" Tract 11 well No. 1, located 660 feet from the South line and 660 feet from the East line of Section 2, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

(5) That the aforesaid well was originally completed as an oil well in the Eunice Pool in November, 1947, and was recompleted as a gas well in the Eumont Gas Pool in February, 1954, which date precedes the effective date of Order No. R-520.

(6) That the aforesaid well is located within the horizontal limits of the Eumont Gas Pool, and is completed within the vertical limits of the Eumont Gas Pool.

(7) That the entire non-standard proration unit as herein proposed may be reasonably assumed to be productive of gas from the Eumont Gas Pool.

(8) That there have been no objections to the formation of the proposed 320-acre non-standard gas proration unit.

(9) That unless a proration unit consisting of the aforementioned acreage is permitted, applicant will be deprived of the full use and value of the acreage herein described and the gas well located thereon.

(10) That the creation of the gas proration unit herein described is in the interests of conservation and the protection of correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Stanolind Oil and Gas Company for the approval of a non-standard gas proration unit in the Eumont Gas Pool be and the same hereby is approved, and a proration unit consisting of the following described acreage in Lea County, New Mexico, is hereby created:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Lots 9, 10, 15 and 16 and the SE/4 of Section 2

containing 320 acres, more or less.

(2) That applicant's well, State "C" Tract 11 No. 1, located 660 feet from the South line and 660 feet from the East line of Section 2, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above-described 320-acre unit bears to the standard or orthodox proration unit for the Eumont 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

John F. Simms
John F. Simms, Chairman

E. S. Walker
E. S. Walker, Member

W. B. Macey
W. B. Macey, Member and Secretary

