

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. 339
ORDER NO. R-127A

THE APPLICATION OF GULF OIL
CORPORATION FOR AN EXCEPTION
TO RULE 404 OF THE OIL CONSERVATION
COMMISSION FOR ITS N.M.I. STATE WELL
NO. 1, LOCATED IN SE 1/4 SE 1/4 OF SECTION
22, TOWNSHIP 12 SOUTH, RANGE 33 EAST,
NMPM.

PERMANENT ORDER

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a. m. on January 22, 1952 before the Oil Conservation Commission of New Mexico, at Santa Fe, hereinafter referred to as the "Commission".

NOW, on this 23rd day of January, 1952, the Commission, a quorum being present, having fully considered the testimony adduced and exhibits received at said hearing, and being fully advised in the premises,

FINDS: (1) That due public notice has been given as required by law, and the Commission has jurisdiction of this case and the subject matter thereof.

(2) That on January 8, 1952 an emergency order was issued by this Commission in this cause granting to applicant for a period of fifteen days from and after January 8, 1952 an exception to Commission Rule 404 as more fully set out in the emergency order on file with the Commission.

(3) That in such emergency order applicant was ordered to appear before the Commission at Santa Fe, New Mexico on January 22, 1952 and offer testimony in support of its application, and that such appearance has been made and testimony offered.

(4) That applicant Gulf Oil Corporation completed a gas well in the SE 1/4 SE 1/4 of Section 22, Township 12 South, Range 33 East, NMPM in January 1950 and that at all times subsequent to such completion until the sale contract herein referred to, there has been no market available for the sale of gas from said well.

(5) That applicant has entered into a contract with Amerada Petroleum Corporation for the sale of gas from said well, such gas to be used for the purpose of gas lifting oil wells; that after the use of gas for said purpose there is at present no gasoline plant in which it may be processed nor may it otherwise be beneficially used.

IT IS THEREFORE ORDERED:

That the applicant Gulf Oil Corporation and Amerada Petroleum Corporation are hereby authorized to produce, market and

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utilize gas produced from Gulf Oil Corporation's N.M.L. State No. 1 gas well located in the SE 1/4 SE 1/4 Section 22 Township 12 South , Range 33 East, N. M. P. M. exempt from and as an exception to Commission's Rule 404; subject, however, to the condition that jurisdiction in this case is retained by the Commission for such further order or orders as may seem necessary for the purpose of preventing waste or protecting correlative rights.

DONE at Santa Fe, New Mexico, on the **23d** day of January, 1952.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


GUY SHEPARD, Member


R. R. SPURRIER, Secretary

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