

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:

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION ON ITS
OWN MOTION FOR AN ORDER
ESTABLISHING POOL RULES FOR THE
EUMONT GAS POOL, LEA COUNTY,
NEW MEXICO, SAID RULES BEING
CONCERNED WITH WELL SPACING,
GAS PRORATION AND ALLOCATION,
PRORATION UNITS, POOL DELINEATION
AND OTHER RELATED MATTERS INSOFAR
AS THEY PERTAIN TO THE GENERAL
RULES FOR GAS PRORATION AS SET
FORTH IN ORDER NO. R-356 IN CASE
521.

CASE NO. 584

APPLICATION TO FILE APPLICATIONS FOR EXCEPTIONS
TO RULE 7 WITHOUT PREJUDICE

COMES NOW Me-Tex Supply Company and files this its
application for authority to file application for exceptions
to Rule 7 of Order R-370-R for the purpose of allocating a
non-standard unit without prejudice to applicant's pending
Motion for Rehearing heretofore filed on November 30, 1953,
and for cause would show:

1. That applicant received notification on December
2, 1953 that its Motion for Rehearing would be scheduled for
the regular meeting to be held on January 20, 1954; that
thereafter applicant discussed the necessity for a hearing on
its Motion for Rehearing with the Secretary of the Commission
and requested hearing on the 18th day of December, 1953; that
thereafter on the 8th day of December, 1953 applicant received
a telegram from the Secretary of the Commission advising that
the Motion for Rehearing had been set for January 21, 1953, and

applicant has been advised by telephone that it is the opinion of the Commission that the granting of the Motion for Rehearing does not suspend Order No. 370-A.

2. That if Order No. 370-A is not suspended until after a decision is handed down on applicant's Motion for Rehearing applicant will suffer in that applicant's wells located within the Eumont Pool will not be included upon the proration schedule issued by the Commission commencing with the first runs on January 1, 1954, and applicant will suffer irreparable injury and loss in being required to shut in its wells until final determination of its Motion for Rehearing.

3. That the condition of the record in Case No. 584 upon which Order 370-A was entered is such as to show that at the time of the hearing in Case No. 584 there was no evidence of waste existing within the area delineated as the Eumont Pool, and the granting of this application would not affect the correlative rights of the other producers in the area known and designated as the Eumont Pool as the record is silent of any existing waste.

4. In this connection applicant would show to the Commission that it is a producer of natural gas from two designated gas wells, being the Me-Tex Wallace Well No. 2 located in Lot 12 and the Me-Tex Wallace Well No. 3 located in Lot 14, both in Section 3, Township 21 South, Range 36 East; section 3 being a correction section along the township line and containing 960 acres more or less; there being no regular quarter section sub-divisions in the N $\frac{1}{2}$ of Section 3, applicant is deprived the right of obtaining any allowable for either well without a hearing under the provisions of Rule R-370-A for the reason that both wells of the applicant are located in a non-regular quarter section as defined by the Commission in Order No. R-370-A.


WHEREFORE, applicant prays that it be allowed to file Forms C-104 and C-110 without prejudice to its Motion for

Rehearing pending before the Commission.

Respectfully submitted,

NEAL & GIRARD

BY


Attorneys for Applicant,
Me-Tex Supply Company.
(Hobbs, New Mexico).