

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. 648
Order No. R-444

THE APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT TO
RULE 7 (a) OF ORDER NO. R 370-A IN ESTABLISH-
MENT OF AN UNORTHODOX GAS PRORATION
UNIT OF 160 CONTIGUOUS ACRES CONSISTING OF
WEST HALF OF THE SOUTHEAST QUARTER AND
EAST HALF OF THE SOUTHWEST QUARTER OF
SECTION 12, TOWNSHIP 20 SOUTH, RANGE 36
EAST, NMPM, LEA COUNTY, NEW MEXICO, IN
THE EUMONT GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on January 20, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 27th day of May, 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-370-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.

(3) That applicant, Amerada Petroleum Corporation, is the owner of two oil and gas leases in Lea County, New Mexico, each lease consisting of other than a legal quarter section, and described as follows:

Byrd Lease:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
W/2 SE/4 of Section 12

containing 80 acres, more or less.

Byrd "A" Lease:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
E/2 W/2 of Section 12

containing 80 acres, more or less.

(4) That applicant proposes to communitize the above described leases into one 160 acre gas proration unit.

(5) That applicant, Amerada Petroleum Corporation, has heretofore obtained permission to dually complete a well on aforesaid communitized tract, the well known as the No. 1, Byrd "A", located 1980 feet from the South and West lines of Section 12, Township 20 South, Range 37 East, NMPM.

(6) That the aforesaid well is located within the limits of the pool heretofore delineated and designated as the Eumont Gas Pool.

(7) That it is impractical to pool applicant's said leases with adjoining acreage in the South half of Section 12, Township 20 South, Range 37 East, NMPM, and that the owners of adjoining acreage in said half section have not objected to the formation of the proposed proration unit of 160 acres.

(8) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool.

(9) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, will protect correlative rights, and is necessary to prevent confiscation of applicant's property.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
E/2 SW/4 and W/2 SE/4 of Section 12

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

(2) That applicant's well, Byrd "A", No. 1, located in the NE/4 SW/4 of Section 12, Township 20 South, Range 36 East, NMPM, shall be granted an allowable in the proportion that the above described 160 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission, the effective date of said allowable being determined in accordance with the provisions of Rule 13 of Order R-370-A, or rules and orders succeeding thereto.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


R. R. SPURRIER, Secretary and Member

(S E A L)