

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. 649  
Order No. R-445

THE AMENDED 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 ESTABLISHMENT OF AN UNORTHODOX GAS  
PRORATION UNIT OF 160 CONTIGUOUS ACRES  
CONSISTING OF SOUTH HALF OF THE NORTH HALF  
OF SECTION 30, TOWNSHIP 20 SOUTH, RANGE 37  
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, and on February 17, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 27<sup>th</sup> 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 an oil and gas lease in Lea County, New Mexico the land consisting of other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM  
S/2 of N/2 of Section 30.

containing 160 acres, more or less.

(4)

(a) That applicant, Amerada Petroleum Corporation, has a producing well on the aforesaid lease known as State "W" No. 2, located 1980' from the North line and 1980' from the East line of Section 30, Township 20 South, Range 37 East, said well producing from the Eunice Oil Pool.

(b) That applicant, Amerada Petroleum Corporation desires to recomplete said well as a gas well producing from the Eumont Gas Pool in exception to Rule 2 of Order R-370-A.

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

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the North half of Section 30, 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.

(7) 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.

(8) 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 37 EAST, NMPM  
S/2 of N/2 of Section 30

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

(2) That applicant's well, State W, No. 2, located in the SW/4 NE/4 of Section 30, Township 20 South, Range 37 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 succeeding rules and orders.

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

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)