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 CON-SIDERING:

> CASE NO. 717 ORDER NO. R-515

THE APPLICATION OF WESTERN OIL FIELDS, INC. FOR AN ORDER GRANTING APPROVAL OF AN EXCEPTION PURSUANT TO RULE 7 (a) OF ORDER NO. R-372-A IN ESTABLISHMENT OF AN UNORTHODOX GAS PRORATION UNIT OF 160 CONTIGUOUS ACRES CONSISTING OF LOTS 14 AND 15, NW/4 SE/4, AND NE/4 SW/4 OF SECTION 4, TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO IN THE BLINEBRY GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m., on July 15, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 2 day of August, 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-372-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, Western Oil Fields, Inc. 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 21 SOUTH, RANGE 37 EAST, NMPM LOTS 14 AND 15, NW/4 SE/4, NE/4 SW/4 OF SECTION 4.

containing 160 acres, more or less.

(4) That applicant, Western Oil Fields, Inc. has a producing well on the aforesaid lease known as Gulf-Hill, No. 1, located 1980' from the South line and 1980' from the East line of Section 4, Township 21 South, Range 37 East. -2-Order No. R-515

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

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the South half of Section 4, Township 21 South, Range 37 East, 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 Blinebry Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Western Oil Fields, Inc. for approval of an unorthodox proration unit consisting of the following described acreage

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM. LOTS 14 AND 15, NW/4 SE/4, NE/4 SW/4 SECTION 4.

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

(2) That applicant's well, Gulf Hill, No. 1, located in the NW/4 SE/4 of Section 4, Township 21 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.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

Avalke WALKER, Member

W. B. MACEY, Secretary and Member