1554 AUG BEFORE THE OO'LL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

APPLICATION OF AMERADA PETROLEUM CORPORATION FOR THE ESTABLISHMENT OF AN UNORTHODOX PRORATION UNIT IN THE \$/2 OF THE NE/4 of SECTION 11, TOWNSHIP 13 SOUTH, RANGE 38 EAST, N.M.P.M., BRONCOSILURO DEVONIAN POOL, LEA COUNTY, NEW MEXICO, BEING THE SW/4 AND LOT 2 OF SAID QUARTER SECTION, CONTAINING 66.61 ACRES, MORE OR LESS

CASE NO. <u>156</u>

APPLICATION

COMES NOW, Amerada Petroleum Corporation and alleges and states:

- l. That it is the owner of an oil and gas lease covering, among other lands, the S/2 of the NE/4 of Sec. ll-13S-38E, Lea County, New Mexico, being the SW/4 and the SE/4, sometimes called Lot 2, of said quarter section.
- 2. That it has heretofore completed its Federal "B" Well #1 in the Bronco-Siluro-Devonian Pool in the center of the SW/4 of said quarter section.
- 3. That due to the correction in the survey along the boundary line between New Mexico and Texas, the SE/4 of said quarter section contains only 26.61 acres and the S/2 of said quarter section contains only 66.61 acres.
- 4. That Applicant hereby proposes that the said SW/4 and Lot 2, being the S/2 of said quarter section, be constituted a proration unit as an exception to Rule 2 of this Commission's Order R-510.
- 5. That the allowable for said unorthodox proration unit be increased proportionate to the increase in acreage proposed herein.
- 6. That Applicant's well in the SW/4 of said quarter section will efficiently and economically drain the proration unit proposed herein, will not result in waste but will prevent the drilling of unnecessary wells and will protect correlative rights.

WHEREFORE, Applicant respectfully requests this matter be set down for hearing, that notice thereof be given as required by law, and that upon final hearing the S/2 of said quarter section be constituted a proration unit and assigned the allowable proposed herein.

Attorney for Applicant