

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. 797  
Order No. R-573

THE APPLICATION OF AMERADA  
PETROLEUM CORPORATION FOR  
AN ORDER GRANTING APPROVAL  
OF AN EXCEPTION PURSUANT TO  
RULE 5 (a) (EUMONT) OF ORDER NO.  
R-520 IN ESTABLISHMENT OF A NON-  
STANDARD GAS PRORATION UNIT OF  
240 CONTIGUOUS ACRES CONSISTING  
OF THE E/2 NE/4 OF SECTION 11, AND  
THE W/2 W/2 OF SECTION 12, TOWN-  
SHIP 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 December 16, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 13<sup>th</sup> day of January, 1955, the Commission, a quorum being present, having considered the records and the testimony adduced at said hearing, 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 the provisions of Rule 5 (a) of Order No. R-520, the Commission has authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.

(3) That the applicant, Amerada Petroleum Corporation, is the owner of oil and gas lease or leases in Lea County, New Mexico, covering the land concerned herein which comprises other than a legal section, described as follows:

TOWNSHIP 20 SOUTH, RANGE 36 EAST  
E/2 NE/4 of Section 11  
W/2 W/2 of Section 12

containing 240 acres more or less.

(4) That applicant, Amerada Petroleum Corporation, has a producing gas well on the aforesaid lease or leases known as Amerada Petroleum Corporation Andrews No. 1, located 660 feet from the north line and 660 feet from the west line of Section 12, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

(5) That said well was completed and on production prior to August 12, 1954, the effective date of Order No. R-520, and is located within the limits of the pool heretofore delineated and designated as the Eumont Gas Pool.

(6) That the royalty interest in the lease or leases covering the proposed proration unit is of common ownership.

(7) That the entire non-standard proration unit as herein proposed may be assumed to be productive of gas from the Eumont Gas Pool.

(8) That it is impractical to pool applicant's leases with adjoining acreage in the W/2 of Section 12 and the NE/4 of Section 11, Township 20 South, Range 36 East, and that there have been no objections to the formation of the proposed 240-acre non-standard proration unit.

(9) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the full use and value of the lease or leases herein described and the well located thereon.

(10) That the creation of the proration unit herein described is in the interests of conservation and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Amerada Petroleum Corporation for the approval of a non-standard proration unit in the Eumont Gas Pool be and the same is hereby approved, and a proration unit consisting of the following described acreage is hereby created:

TOWNSHIP 20 SOUTH, RANGE 36 EAST

Section 11: E/2 NE/4

Section 12: W/2 W/2

(2) That applicant's well, Amerada Petroleum Corporation, Andrews No. 1, located in the NW/4 NW/4 of Section 12, Township 20 South, Range 36 East, NMPM, shall be granted an allowable in the proportion that the above described 240-acre proration unit bears to the standard or orthodox proration unit for the Eumont Gas Pool, all until further order of the Commission.

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

State of New Mexico  
Oil Conservation Commission

*John F. Simms*  
John F. Simms, Chairman

*E. S. Walker*  
E. S. Walker, Member

*W. B. Macey*  
W. B. Macey, Member and Secretary

