

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. 1316
Order No. R-1070

APPLICATION OF SUN OIL COMPANY
FOR APPROVAL OF AN 80-ACRE NON-
STANDARD GAS PRORATION UNIT AND
AN UNORTHODOX GAS WELL LOCATION
IN THE CROSBY-DEVONIAN GAS POOL,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 24, 1957, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission", in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 16th day of October, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant is the owner and operator of an oil and gas lease covering the E/2 SE/4 of Section 20, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That in Case No. 1098, Order No. R-859, dated August 30, 1956, the Commission granted the application of Sun Oil Company to drill its B. T. Lanehart Well No. 3 on an 80-acre tract at a point 330 feet from the South line and 330 feet from the East line of said Section 20, due to the fact that said well was projected as an oil well rather than a gas well.

(4) That the said B. T. Lanehart Well No. 3 was completed as a producing gas well in the Crosby-Devonian Gas Pool.

(5) That paragraph 3 of Order No. R-859 provided, "That in the event the said B. T. Lanehart Well No. 3 is completed as a gas well the applicant will make every reasonable effort to form a standard gas proration unit of 160 acres, and, should such efforts fail, make prompt application to the Commission for forced pooling or a non-standard gas proration unit."

-2-

Case No. 1316
Order No. R-1070

(6) That the applicant had not, at the time this case was heard, made every reasonable effort to form a standard gas proration unit by communitizing the SE/4 of said Section 20.

(7) That the applicant should not be permitted to form an 80-acre non-standard gas proration unit in the Crosby-Devonian Gas Pool for the aforementioned B. T. Lanehart Well No. 3 unless it can be shown at a subsequent hearing that the applicant has failed to form a standard gas proration unit after making every reasonable effort to do so.

(8) That the unorthodox gas well location of the said B. T. Lanehart Well No. 3 at a point 330 feet from the South line and 330 feet from the East line of said Section 20 should be approved.

IT IS THEREFORE ORDERED:

(1) That the application of Sun Oil Company for the establishment of an 80-acre non-standard gas proration unit in the Crosby-Devonian Gas Pool comprising the E/2 of the SE/4 of Section 20, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same is hereby denied.

(2) That the unorthodox gas well location of the applicant's B. T. Lanehart Well No. 3 at a point 330 feet from the South line and 330 feet from the East line of said Section 20, be and the same is hereby approved.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
EDWIN L. MECHEM, Chairman

M. E. Morgan
MURRAY E. MORGAN, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

