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. 1427 Order No. R-1177

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR THE ESTABLISHMENT OF A 480-ACRE NON-STANDARD GAS PRORATION UNIT IN THE EUMONT 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 May 6, 1958, at Santa Fe, New Mexico, before Daniel S. Mutter, 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.

MOW, on this day of May, 1958, 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, Pan American Petroleum Corporation, is the co-owner and the operator of the N/2 and the SE/4 of Section 24, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.
- (3) That all interests within the above-described tract have been communitized.
- (4) That the applicant is the owner and operator of the O. J. Gillully "A" Well No. 4, located 660 feet from the North line and 1980 feet from the East line of said Section 24.
- (5) That the applicant proposes that the above-described acreage be established as a non-standard gas proration unit in the Eumont Gas Pool and that said whit be dedicated to the aforementioned O. J. Gillully "A" Well No. 4.
- (6) That approval of the subject application will not cause waste nor impair correlative rights.

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IT IS THEREFORE ORDERED:

- (1) That the application of Pan American Petroleum Corporation for the establishment of a 480-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the N/2 and the SE/4 of Section 24, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby granted.
- (2) That the said 0. J. Gillully "A" Well No. 4, located 660 feet from the North line and 1980 feet from the East line of said Section 24, be designated as the unit well for the above-described unit and that the same be granted an allowable in the proportion that the acreage in said unit bears to the acreage in a standard proration unit for the Eumont Gas Pool, subject to the provisions of the Special Rules and Regulations for the Eumont Gas Pool as set forth in Order No. R-520.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

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

