BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1447 Order No. R-1213

APPLICATION OF THE TEXAS COMPANY FOR A 320-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 28, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 3 day of July, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, The Texas Company, is the owner and operator of the E/2 of Section 11, Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.
- (3) That the applicant is the owner and operator of the C. H. Weir "B" Well No. 3, located 330 feet from the North line and 660 feet from the East line of said Section 11.
- (4) That the applicant proposes the establishment of a 320-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the above-described acreage to be dedicated to the aforementioned C. H. Weir "B" Well No. 3.
- (5) That the production of a 320-acre gas allowable from the said C. H. Weir "B" Well No. 3 would cause waste and impair the correlative rights of offset operators due to the unorthodox location of said well.
- (6) That the production of a 320-acre allowable from the aforementioned well would cause Eumont oil to migrate up-structure into the dry gas sands thereby causing a reduction of the ultimate recovery of oil from the Eumont Gas Pool.

-2-Case No. 1447 Order No. R-1213

(7) That the said C. H. Weir "B" Well No. 3 should be assigned a 160-acre non-standard gas proration unit instead of a 320-acre unit, said 160-acre unit to comprise the NE/4 of said Section 11.

IT IS THEREFORE ORDERED:

- (1) That the application of The Texas Company for the establishment of 320-acre non-standard gas proration unit in the Eumont Gas Pool to consist of the E/2 of Section 11, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, and to be dedicated to the applicant's C. H. Weir "B" Well No. 3, located 330 feet from the North line and 660 feet from the East line of said Section 11, be and the same is hereby denied.
- (2) That a 160-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the NE/4 of said Section 11, be and the same is hereby established. Said unit to be dedicated to the aforementioned C. H. Weir "B" Well No. 3.
- (3) That the said C. H. Weir "B" Well No. 3, be assigned an allowable in the proportion that the acreage in the non-standard gas proration unit established above bears to the acreage in a standard gas 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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM. Chairman

MURRAY E. MORGAN. Member

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

