

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. 1469
Order No. R-1225

APPLICATION OF PHILLIPS PETROLEUM
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 June 11, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 29th day of July, 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, Phillips Petroleum Company, is the operator of the S/2 of Section 14, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the operator of the Bern "A" Well No. 1, located 660 feet from the South line and 660 feet from the East line of said Section 14.

(4) That the acreage presently dedicated to said Bern "A" Well No. 1 comprises the SE/4 of said Section 14.

(5) That the applicant proposes the establishment of a 320-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the S/2 of said Section 14, to be dedicated to the aforementioned Bern "A" Well No. 1.

(6) That the gas-oil contact in the Penrose member of the Queen formation passes directly through the S/2 of said Section 14 in a North-South direction, and accordingly the SW/4 of Section 14 cannot reasonably be presumed to be productive of gas.

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(7) That the probability that Eumont Oil will migrate up-structure into the dry gas sands, thereby causing a reduction in the ultimate recovery of oil from the Eumont Gas Pool, will be increased by the production of a 320-acre allowable from the aforementioned well.

(8) That the subject application should be denied.

IT IS THEREFORE ORDERED:

That the application of Phillip Petroleum Company for the establishment of a 320-acre non-standard gas proration unit in the Eumont Gas Pool to consist of the S/2 of Section 14, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico, and to be dedicated to the applicant's Bern "A" Well No. 1, located 660 feet from the South line and 660 feet from the East line of said Section 14 be and the same is hereby denied.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

S. L. Mechem

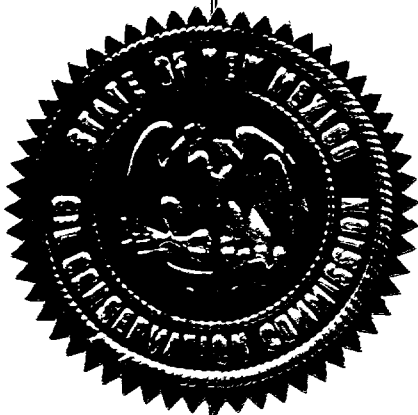
EDWIN L. MECHEM, Chairman

M. E. Morgan

MURRAY E. MORGAN, Member

A. L. Porter, Jr.

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



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