

Entered July 22, 1957
A.L.P.

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. 1260
Order No. R-1020

APPLICATION OF CITIES SERVICE OIL
COMPANY FOR A 320-ACRE NON-STANDARD
GAS PRORATION UNIT IN THE JALMAT GAS
POOL IN EXCEPTION TO RULE 5 (a) OF
THE SPECIAL RULES AND REGULATIONS
FOR THE JALMAT GAS POOL, SAID UNIT
TO BE DEDICATED JOINTLY TO THE
APPLICANT'S CLOSSON "B" NO. 3 WELL,
LOCATED IN THE NW/4 NW/4, AND THE
CLOSSON "B" NO. 6 WELL, LOCATED IN
THE SW/4 NW/4 OF SECTION 20, TOWNSHIP
22 SOUTH, RANGE 36 EAST, NMPM, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 1 o'clock p.m. on May 28, 1957, at Hobbs, 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 17th day of July, 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 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 the applicant, Cities Service Oil Company, is the owner of an oil and gas lease, a portion of which consists of the W/2 of Section 20, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the owner and operator of the Closson "B" No. 3 Well, located 660 feet from the North line and 330 feet from the West line of said Section 20, and the Closson "B" No. 6 Well, located 1980 feet from the North line and 660 feet from the West line of said Section 20.

(4) That the aforementioned Closson "B" No. 6 Well is presently assigned a 160-acre non-standard gas proration unit consisting of the NW/4 of said Section 20.

(5) That the applicant proposes to increase the size of the aforementioned non-standard gas proration unit from 160 acres to 320 acres by the inclusion of the SW/4 of said Section 20 in the unit and to dedicate said unit jointly to the aforementioned Closson "B" No. 3 and Closson "B" No. 6 Wells.

(6) That the creation of the proposed 320-acre non-standard gas proration unit will not cause waste nor impair correlative rights.

(7) That no objections to the approval of the subject application have been registered with the Commission.

(8) That the underage accrued to the presently existing 160-acre non-standard gas proration unit referred to above should be transferred to the net status of the proposed 320-acre non-standard gas proration unit.

(9) That the applicant should endeavor to produce as much as possible of the 320-acre allowable from the aforementioned Closson "B" No. 6 Well.

IT IS THEREFORE ORDERED:

(1) That a non-standard gas proration unit in the Jalmat Gas Pool consisting of the W/2 of Section 20, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby created, said unit to be jointly dedicated to the Cities Service Oil Company Closson "B" No. 3 Well, located in the NW/4 NW/4, and the Closson "B" No. 6 Well located in the SW/4 NW/4 of said Section 20.

(2) That the aforementioned Closson "B" No. 3 and Closson "B" No. 6 wells be assigned an allowable in the proportion that the acreage in the above-described non-standard gas proration unit bears to the acreage in a standard proration unit, for the Jalmat Gas Pool, subject to the provisions of Rule 8 of the Special Rules and Regulations for the Jalmat Gas Pool as set forth in Order R-520.

(3) That the net status of the presently existing 160-acre non-standard gas proration unit consisting of the NW/4 of said Section 20, be transferred to the above created 320-acre non-standard gas proration unit as of August 1, 1957.

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(4) That the applicant shall produce as much as possible of the allowable assigned to the above created non-standard gas proration unit from the aforementioned Closson "B" No. 6 Well.

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

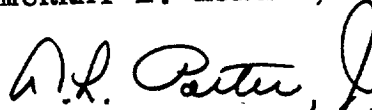
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



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

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