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

> CASE No. 2068 Order No. R-1770

APPLICATION OF GULF OIL CORPORATION FOR THREE NON-STANDARD GAS PRORATION UNITS IN THE JALMAT 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 7, 1960, 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 <u>l6th</u> day of September, 1960, 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 by Order No. R-485, a 640-acre non-standard gas proration unit in the Langmat (now Jalmat) Gas Pool was established consisting of the SE/4 of Section 33 and the SW/4 of Section 34, both in Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, and the NW/4 of Section 3 and the NE/4 of Section 4, both in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Said 640-acre non-standard gas proration unit was dedicated to the W. A. Ramsay "A" Well No. 1, located 330 feet from the South line and 330 feet from the West line of said Section 34.

(3) That the applicant, Gulf Oil Corporation, proposes that Order No. R-485, which established the above-described 640-acre non-standard gas proration unit, be superseded, and that a 480acre non-standard gas proration unit in the Jalmat Gas Pool be established consisting of the SE/4 of Section 33 and the SW/4 of Section 34, both in Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, and the NW/4 of Section 3, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Applicant proposes to dedicate said unit to the above-described W. A. Ramsay "A" Well No. 1. -2-CASE No. 2068 Order No. R-1770

(4) That by Administrative Order NSP-404, a 320-acre nonstandard gas proration unit in the Jalmat Gas Pool was established comprising the S/2 of Section 4, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, and dedicated to the J. F. Janda "F" Well No. 7, located 1980 feet from the South line and 1980 feet from the West line of said Section 4.

(5) That the applicant, Gulf Oil Corporation, proposes that Administrative Order NSP-404, which established the above-described 320-acre non-standard gas proration unit, be superseded, and that a 160-acre non-standard gas proration unit be established comprising the SW/4 of Section 4, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Applicant proposes to dedicate said unit to the above-described J. F. Janda "F" Well No. 7.

(6) That the applicant further proposes that a 320-acre non-standard gas proration unit be established, comprising the E/2 of Section 4, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, and dedicated to the J. F. Janda "F" Well No. 13, located 660 feet from the South line and 660 feet from the East line of said Section 4.

(7) That the applicant, Gulf Oil Corporation, is the owner and operator of all of the above-described acreage comprising the proposed non-standard gas proration units.

(8) That all of the acreage in the proposed non-standard gas proration units can reasonably be presumed to be productive of gas from the Jalmat Gas Pool.

(9) That establishment of the above-described non-standard gas proration units will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That Order No. R-485 establishing a 640-acre nonstandard gas proration unit in the Langmat (now Jalmat) Gas Pool, comprising the SE/4 of Section 33 and the SW/4 of Section 34, both in Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, and the NW/4 of Section 3 and the NE/4 of Section 4, both in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby superseded.

(2) That Administrative Order NSP-404 establishing a 320acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the S/2 of Section 4, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby superseded.

(3) That a 480-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the SE/4 of Section 33 and the SW/4

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of Section 34, both in Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, and the NW/4 of Section 3, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the W. A. Ramsay "A" Well No. 1, located 330 feet from the South line and 330 feet from the West line of said Section 34.

(4) That a 160-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the SW/4 of Section 4, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the J. F. Janda "F" Well No. 7, located 1980 feet from the South line and 1980 feet from the West line of said Section 4.

(5) That a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the E/2 of Section 4, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the J. F. Janda "F" Well No. 13, located 660 feet from the South line and 660 feet from the East line of said Section 4.

(6) That the said W. A. Ramsay "A" Well No. 1, the said J. F. Janda "F" Well No. 7, and the said J. F. Janda "F" Well No. 13 be and the same are hereby assigned acreage factors for allowable purposes in the proportion that the acreage in their respective non-standard gas proration units bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool, subject to the provisions of the Special Rules and Regulations for said Pool.

<u>PROVIDED HOWEVER</u>, That 25 percent of the underproduction attributed to the said William A. Ramsay "A" Well No. 1 as of October 1, 1960, shall be credited to the said J. F. Janda "F" Well No. 13, and 50 percent of the underproduction attributed to the said J. F. Janda "F" Well No. 7 as of October 1, 1960, shall be credited to the said J. F. Janda "F" Well No. 13.

(7) That the effective date of this Order is October 1, 1960.

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

STATE OF NEW MEXICO OLL CONSERVATION COMMISSION MAN Chairm OHN BURROUGHS Managa MORGAN, Member MURRAY E. tuti

SEAL

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

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