

Entered March 30, 1967
C.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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3541
Order No. R-3209

APPLICATION OF TEXAS PACIFIC OIL
COMPANY FOR SEVERAL NON-STANDARD
GAS PRORATION UNITS, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 22, 1967,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 30th day of March, 1967, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, 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, Texas Pacific Oil Company, seeks
the rededication of certain acreage and the establishment of the
following non-standard gas proration units in Township 23 South,
Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico:

A 280-acre non-standard gas proration unit comprising
the NW/4, E/2 NE/4, and SW/4 NE/4 of Section 9, to be
simultaneously dedicated to its State "A" Acct. #1 Well
No. 41 located 660 feet from the North line and 660
feet from the East line of said Section 9, and to its
State "A" Acct. #1 Well No. 100 located 1980 feet from
the North line and 990 feet from the East line of said
Section 9;

A 200-acre non-standard gas proration unit comprising the NE/4 SW/4, N/2 SE/4, and SE/4 SE/4 of Section 9 and the SW/4 SW/4 of Section 10, to be dedicated to its State "A" Acct. #1 Well No. 38 located 990 feet from the South line and 990 feet from the West line of said Section 10;

A 240-acre non-standard gas proration unit comprising the NW/4 and N/2 SW/4 of Section 10, to be dedicated to its State "A" Acct. #1 Well No. 37 located 1650 feet from the North line and 1650 feet from the West line of said Section 10;

A 200-acre non-standard gas proration unit comprising the SE/4 SW/4 of Section 10 and the NW/4 of Section 15, to be dedicated to its State "A" Acct. #1 Well No. 33 located 1650 feet from the North line and 1650 feet from the West line of said Section 15; and

A 400-acre non-standard gas proration unit comprising the N/2 SE/4 and SE/4 SE/4 of Section 21 and the SW/4, S/2 NW/4, and NE/4 NW/4 of Section 22, to be simultaneously dedicated to its State "A" Acct. #1 Well No. 94 located 660 feet from the North line and 1980 feet from the West line of said Section 22, and to its State "A" Acct. #1 Well No. 97 located 1980 feet from the North line and 1980 feet from the West line of said Section 22.

(3) That each of the proposed non-standard gas proration units is productive of gas.

(4) That each of the proposed non-standard gas proration units can be efficiently and economically drained and developed by the well or wells to which it is to be dedicated.

(5) That approval of the proposed non-standard gas proration units will afford the applicant the opportunity to produce its just and equitable share of the gas in the pool and will otherwise prevent waste and protect correlative rights.

(6) That in order to protect the correlative rights of the offset operator, applicant's State "A" Acct. #1 Well No. 94 located 660 feet from the North line and 1980 feet from the West line of the aforementioned Section 22, should be allowed to

produce no more than 50% of the allowable assigned to the non-standard unit simultaneously dedicated to said Well No. 94 and to applicant's State "A" Acct. #1 Well No. 97 located 1980 feet from the North line and 1980 feet from the West line of said Section 22.

IT IS THEREFORE ORDERED:

(1) That the following-described non-standard gas proration units in Township 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, are hereby created:

- (a) A 280-acre non-standard gas proration unit comprising the NW/4, E/2 NE/4, and SW/4 NE/4 of Section 9, to be simultaneously dedicated to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 41 located 660 feet from the North line and 660 feet from the East line of said Section 9, and to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 100 located 1980 feet from the North line and 990 feet from the East line of said Section 9;

PROVIDED, HOWEVER, that the operator may produce the allowable assigned to the unit from said Wells Nos. 41 and 100 in any proportion.

- (b) A 200-acre non-standard gas proration unit comprising the NE/4 SW/4, N/2 SE/4, and SE/4 SE/4 of Section 9 and the SW/4 SW/4 of Section 10, to be dedicated to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 38 located 990 feet from the South line and 990 feet from the West line of said Section 10.
- (c) A 240-acre non-standard gas proration unit comprising the NW/4 and N/2 SW/4 of Section 10, to be dedicated to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 37, located 1650 feet from the North line and 1650 feet from the West line of said Section 10.
- (d) A 200-acre non-standard gas proration unit comprising the SE/4 SW/4 of Section 10 and the NW/4 of Section 15, to be dedicated to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 33 located 1650 feet from the North line and 1650 feet from the West line of said Section 15.
- (e) A 400-acre non-standard gas proration unit comprising the N/2 SE/4 and SE/4 SE/4 of Section 21 and the SW/4,

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S/2 NW/4, and NE/4 NW/4 of Section 22, to be simultaneously dedicated to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 94 located 660 feet from the North line and 1980 feet from the West line of said Section 22, and to the Texas Pacific Oil Company State "A" Acct. #1 Well No. 97 located 1980 feet from the North line and 1980 feet from the West line of said Section 22;

PROVIDED, HOWEVER, that said Well No. 94 shall produce no more than 50% of the allowable assigned to said non-standard gas proration unit.

(2) That the acreage factor for allowable purposes assigned to each of the above-described non-standard gas proration units shall bear the same ratio to the acreage factor for a standard gas proration unit as the acreage in said unit bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool.

(3) That the provisions of this order shall become effective April 1, 1967.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

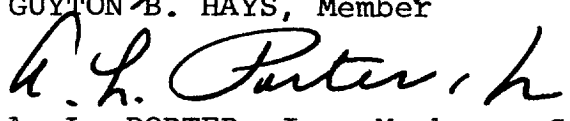
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



DAVID F. CARGO, Chairman



GUYTON B. HAYS, Member



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

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