Entered november 26, 1968 O.J.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. 3954 Order No. R-3597

APPLICATION OF C. E. LONG, JR., FOR A NON-STANDARD GAS PRORATION UNIT AND AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8:30 a.m. on November 20, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>26th</u> day of November, 1968, 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, C. E. Long, Jr., is the owner and operator of the Shell State Well No. 1, located 660 feet from the South line and 2310 feet from the West line of Section 32, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That said well is presently completed in the South Eunice Pool; that the well is uneconomic to produce from said zone.

(4) That the applicant proposes to plug off the South Eunice zone in said well, recomplete the well in the Jalmat Gas Pool, and to dedicate an 80-acre non-standard gas proration unit comprising the S/2 SW/4 of said Section 32 to the subject well. -2-CASE No. 3954 Order No. R-3597

(5) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject well as recompleted.

(6) That in order to prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights, the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That an unorthodox location is hereby approved for the C. E. Long, Jr., Shell State Well No. 1, to be recompleted, 660 feet from the South line and 2310 feet from the West line of Section 32, Township 21 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(2) That an 80-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the S/2 SW/4 of Section 32, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the aforesaid C. E. Long, Jr., Shell State Well No. 1.

(3) 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 COMSERVATION COMMISSION

DAVID F. CARGO, Chairman

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