Entered Same 29,1970 ALP.

# 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. 4341 Order No. R-3982

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR TWO 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 May 27, 1970, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>29th</u> day of June, 1970, 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, Pan American Petroleum Corporation, is the owner and operator of the Pan American State "C" Tract 13 Well No. 5, a dual completion in the Blinebry and Tubb Gas Pools, located 1980 feet from the North line and 660 feet from the West line of Section 36, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks approval of two non-standard gas proration units to be dedicated to said Well No. 5 as follows:

Blinebry Gas Pool - 240 acres - NW/4 and W/2 NE/4 Tubb Gas Pool - 200 acres - W/2 NW/4, NE/4 NW/4 and W/2 NE/4 -2-CASE No. 4341 Order No. R-3982

(4) That the production of gas in both of the aforesaid pools is prorated.

(5) That a standard proration unit comprises 160 acres in each of the aforesaid pools.

(6) That the production of a 240-acre allowable from the Blinebry Gas Pool and the production of a 200-acre allowable from the Tubb Gas Pool by said Well No. 5 would impair the correlative rights of other operators in each of the subject pools.

(7) That the subject application should be <u>denied</u>.

### IT IS THEREFORE ORDERED:

(1) That the subject application is hereby <u>denied</u>.

(2) 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

Member

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

SEAL

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