

*Entered March 10, 1971
O. F. 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. 4501
Order No. R-4116

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 24, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of March, 1971, 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 establishment and acreage dedication of the following-described standard and non-standard gas proration units and wells in Townships 22 and 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico:

1. A 360-acre non-standard gas proration unit comprising the N/2 of Section 15, and the SE/4 SW/4 of Section 10, Township 23 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 1 Wells Nos. 31 and 33.

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2. A 320-acre non-standard gas proration unit comprising the E/2 SE/4 and the NW/4 SE/4 of Section 9, and the S/2 NW/4 and the N/2 SW/4 and the SW/4 SW/4 of Section 10, Township 23 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 1 Wells Nos. 37 and 38.
3. A 480-acre non-standard gas proration unit comprising the W/2 and the NE/4 of Section 13, Township 23 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 1 Wells Nos. 20, 21, and 22.
4. A standard 640-acre gas proration unit comprising all of Section 11, Township 22 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 2 Wells Nos. 14, 36, and 42.
5. A 480-acre non-standard gas proration unit comprising the E/2 of Section 8, and the SW/4 of Section 9, Township 22 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 2 Wells Nos. 38, 43, and 56.

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

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

(5) That approval of the proposed gas proration units will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights, provided the beginning status of each of the subject units is adjusted in accordance with the net status as of March 1, 1971, of the acreage to be dedicated to said units.

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(6) That all provisions of prior orders issued by the Commission or Secretary-Director of the Commission that are inconsistent with the provisions of this order should be superseded.

IT IS THEREFORE ORDERED:

(1) That effective as of March 1, 1971, the following-described standard and non-standard gas proration units in Townships 22 and 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, are hereby created:

1. A 360-acre non-standard gas proration unit comprising the N/2 of Section 15, and the SE/4 SW/4 of Section 10, Township 23 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 1 Wells Nos. 31 and 33, located in Units H and F, respectively, of said Section 15.
2. A 320-acre non-standard gas proration unit comprising the E/2 SE/4 and the NW/4 SE/4 of Section 9, and the S/2 NW/4 and the N/2 SW/4 and the SW/4 SW/4 of Section 10, Township 23 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 1 Wells Nos. 37 and 38, located in Units F and M, respectively, of said Section 10.
3. A 480-acre non-standard gas proration unit comprising the W/2 and the NE/4 of Section 13, Township 23 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 1 Wells Nos. 20, 21, and 22, located in Units C, H, and N, respectively, of said Section 13.
4. A standard 640-acre gas proration unit comprising all of Section 11, Township 22 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 2 Wells Nos. 14, 36, and 42, located in Units B, M, and E, respectively, of said Section 11.
5. A 480-acre non-standard gas proration unit comprising the E/2 of Section 8, and the

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SW/4 of Section 9, Township 22 South, Range 36 East, to be dedicated to Texas Pacific State "A" Account 2 Well No. 38, located in Unit K of said Section 9, and to Texas Pacific State "A" Account 2 Wells Nos. 43 and 56, located in Units H and J, respectively, of said Section 8.

(2) That the acreage factor for allowable purposes assigned to each of the above-described standard and 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 for the Jalmat Gas Pool; and that the operator may produce the allowable assigned to each of the subject gas proration units from the wells on the units in any proportion.

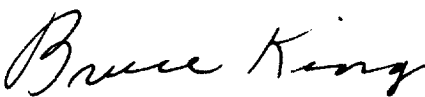
(3) That the beginning status of each of the above-described units shall be adjusted in accordance with the net status as of March 1, 1971, of the acreage to be dedicated to said units.

(4) That all provisions of prior orders issued by the Commission or Secretary-Director of the Commission that are inconsistent with the provisions of this order are hereby superseded.


(5) 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


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


A. L. PORTER, Jr. Member & Secretary

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