Entered October 15, 1971 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. 4600 Order No. R-4208

APPLICATION OF EL PASO NATURAL GAS COMPANY FOR A NON-STANDARD GAS PRORATION UNIT, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 29, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 15th day of October, 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, El Paso Natural Gas Company, seeks approval for a 320-acre non-standard gas proration unit comprising the NW/4, N/2 SW/4, SW/4 SW/4, and NW/4 NE/4 of Section 22, Township 17 South, Range 29 East, NMPM, Grayburg-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to its Leonard State "Com" Well No. 1 located in the SW/4 NW/4 of said Section 22.
- (3) That the entire non-standard gas proration unit requested by the applicant may reasonably be presumed to be productive of gas from the Grayburg-Morrow Gas Pool and can be efficiently and economically drained and developed by the aforesaid well.

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(4) That approval of the 320-acre non-standard gas proration unit as requested by the applicant will afford the applicant the opportunity to produce its just and equitable share of the gas in the Grayburg-Morrow 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 will not violate correlative rights.

IT IS THEREFORE ORDERED:

- (1) That a 320-acre non-standard gas proration unit in the Grayburg-Morrow Gas Pool comprising the NW/4, N/2 SW/4, SW/4 SW/4, and NW/4 NE/4 of Section 22, Township 17 South, Range 29 East, NMPM, Eddy County, New Mexico, is hereby established and dedicated to the El Paso Natural Gas Company Leonard State "Com" Well No. 1 located in the SW/4 NW/4 of said Section 22.
- (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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

ERUCK KING Chairman

ALEX J ARMIJO Member

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

SEAL