

Entered April 17, 1972
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. 4688
Order No. R-4288

APPLICATION OF GULF OIL CORPORATION
FOR A NON-STANDARD PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 5, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of April, 1972, 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, Gulf Oil Corporation, is the owner and operator of a 280-acre non-standard gas proration unit comprising the SW/4, S/2 NW/4, NW/4 NW/4 of Section 4 and a 320-acre non-standard gas proration unit comprising the E/2 of Section 4, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.
- (3) That the 280-acre non-standard unit is presently dedicated to applicant's J. F. Janda (NCT-F) Well No. 7, located in Unit K of said Section 4, and that the 320-acre non-standard unit is presently dedicated to applicant's J. F. Janda (NCT-F) Well No. 13, located in Unit P of said Section 4.
- (4) That the applicant now seeks the consolidation of the two existing non-standard gas proration units to form one 600-acre non-standard gas proration unit comprising the SW/4, S/2 NW/4, NW/4 NW/4 and E/2 of said Section 4, said unit to be simultaneously dedicated to its J. F. Janda (NCT-F) Wells Nos. 7 and 13.
- (5) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.

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(6) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the J. F. Janda (NCT-F) Wells Nos. 7 and 13.

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, and will otherwise prevent waste and protect correlative rights, provided the above-described Well No. 7 is produced at capacity subject to the allowable assigned to the unit.

IT IS THEREFORE ORDERED:

(1) That, effective May 1, 1972, a 600-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the SW/4, S/2 NW/4, NW/4 NW/4 and E/2 of Section 4, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Gulf Oil Corporation's J. F. Janda (NCT-F) Well No. 7, located in Unit K of said Section 4, and to Gulf Oil Corporation's J. F. Janda (NCT-F) Well No. 13, located in Unit P of said Section 4.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 600 acres and the operator may produce the allowable assigned to the unit from the subject wells in any proportion. Provided, however, that Well No. 7 in Unit K, of said Section 4, shall be produced at capacity subject to the allowable assigned to the aforesaid non-standard gas proration unit, and it shall not be temporarily or permanently abandoned or shut-in without the consent of the Secretary-Director of the Commission for good cause shown.

(3) That the cumulative overproduction/underproduction status of said consolidated unit shall be the combined cumulative overproduction/underproduction statuses as of May 1, 1972, of the two units being consolidated.

(4) That the cancellation status of said consolidated unit shall be the combined cancellation statuses as of May 1, 1972, of the two individual units being consolidated.

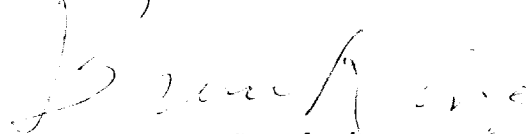
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

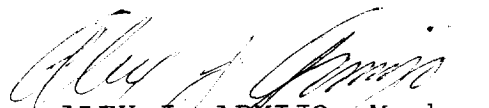
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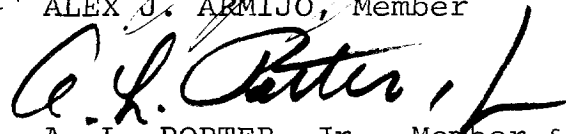
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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

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