

Entered May 21, 1974
D.L.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. 5223
Order No. R-4779

APPLICATION OF CONTINENTAL OIL
COMPANY FOR A 320-ACRE NON-
STANDARD GAS PRORATION UNIT,
SIMULTANEOUS DEDICATION OF
ACREAGE AND REINSTATMENT OF
CANCELLED UNDERPRODUCTION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 25, 1974,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of May, 1974, 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, Continental Oil Company, seeks
approval for a 320-acre non-standard gas proration unit compris-
ing the N/2 of Section 17, Township 24 South, Range 37 East,
NMPM, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneous-
ly dedicated to its Jack B-17 Wells Nos. 3 and 4, located 990
feet from the North line and 990 feet from the East line and
990 feet from the North line and 1980 feet from the West line,
respectively, of said Section 17 with the allowable to be
produced from either well in any proportion.
- (3) Applicant further seeks reclassification of the subject
proration unit to non-marginal status and reinstatement of the
underproduction which was cancelled November 1, 1973, when the
aforesaid proration unit was reclassified to marginal status.
- (4) That applicant requests that said reclassification and
reinstatement be retroactively effective April 1, 1974.
- (5) That the proposed non-standard gas proration unit can

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be efficiently and economically drained and developed by the subject wells.

(6) That the applicant recompleted its Jack B-17 Well No. 3 within the proration period in which it was reclassified as marginal.

(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.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate a non-standard gas proration unit comprising the N/2 of Section 17, Township 24 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to its Jack B-17 Wells Nos. 3 and 4, located 990 feet from the North line and 990 feet from the East line and 990 feet from the North line and 1980 feet from the West line, respectively, of said Section 17.

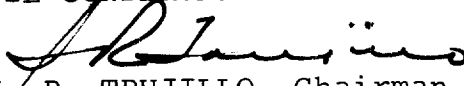
(2) That the allowable assigned to said unit shall be based on the unit size of 320-acres and may be produced by the wells to which said unit is dedicated in any proportion.

(3) That the subject unit is hereby reclassified to non-marginal status effective 7:00 a.m., April 1, 1974 and the under-production of said unit accruing since January 1, 1973, being 195,212 MCF, is hereby reinstated as of the same date.


(4) 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


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

S E A L

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