

Entered July 20, 1977  
1977

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. 5979  
Order No. R-5493

APPLICATION OF TEXAS PACIFIC OIL  
COMPANY, INC. FOR NON-STANDARD PRORATION  
UNITS, SIMULTANEOUS DEDICATION, AND  
UNORTHODOX LOCATIONS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 6, 1977,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of July, 1977, 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, Inc.,  
seeks approval of the following non-standard gas proration units  
on its State "A" A/C-2 Lease in Township 22 South, Range 36 East,  
NMPM, Jalmat Gas Pool, Lea County, New Mexico:

a 480-acre unit comprising the N/2, W/2 SW/4, and E/2  
SE/4 of Section 11 to be simultaneously dedicated to  
Wells Nos. 14, 36, and 42 located at unorthodox locations  
in Units B, M, and E, respectively, of said Section 11;

a 160-acre unit comprising the E/2 SW/4 and the W/2 SE/4  
of Section 11 to be dedicated to Well No. 62 drilled at  
an unorthodox location in Unit K of said Section 11;

a 160-acre unit comprising the NW/4 of Section 9 to be  
dedicated to Well No. 63 drilled at an unorthodox  
location in Unit C of said Section 9;

a 160-acre unit comprising the NE/4 of Section 9 to be  
dedicated to Well No. 40 located at a standard location  
in Unit A of said Section 9.

-2-

Case No. 5979

Order No. R-5493

(3) That the entire non-standard proration units may each reasonably be presumed productive of gas from the Jalmat Gas Pool and that the entire non-standard gas proration units can each be efficiently and economically drained and developed by the afore-said wells.

(4) 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, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(5) That those portions of Commission Orders Nos. R-4116 and R-3264-A which are inconsistent with this order, and which previously approved certain proration units involving these same lands should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texas Pacific Oil Company, Inc., is hereby granted the following non-standard gas proration units on its State "A" A/C-2 Lease in Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico:

a 480-acre unit comprising the N/2, W/2 SW/4, and E/2 SE/4 of Section 11 to be simultaneously dedicated to Wells Nos. 14, 36 and 42 located at unorthodox locations in Units B, M, and E, respectively, of said Section 11;

a 160-acre unit comprising the E/2 SW/4 and the W/2 SE/4 of Section 11 to be dedicated to Well No. 62 drilled at an unorthodox location in Unit K of said Section 11;

a 160-acre unit comprising the NW/4 of Section 9 to be dedicated to Well No. 63 drilled at an unorthodox location in Unit C of said Section 9;

a 160-acre unit comprising the NE/4 of Section 9 to be dedicated to Well No. 40 located at a standard location in Unit A of said Section 9.

(2) That those portions of Commission Orders Nos. R-4116 and R-3264-A which are inconsistent with this order are hereby superseded.

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

-3-


Case No. 5979  
Order No. R-5493

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.


STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member

  
JOE D. RAMEY, Member & Secretary

S E A L

jr/