

Entered April 4, 1978
[Signature]

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. 6186
Order No. R-5688

APPLICATION OF SUN PRODUCTION COMPANY
FOR A NON-STANDARD GAS PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 22, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 4th day of April, 1978, 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, Sun Production Company, seeks approval of a 320-acre non-standard gas proration unit comprising the NE/4 of Section 20 and the NW/4 of Section 21, both in Township 22 South, Range 36 East, NMPM, to be dedicated to its Boren & Greer Gas Com Well No. 2 to be located 890 feet from the North line and 1780 feet from the West line of said Section 21.

(3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Jalmat Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid well.

(4) That approval of the subject application will afford the applicant the opportunity to produce his 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(5) That Commission Order No. R-1074 should be superseded.

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IT IS THEREFORE ORDERED:


(1) That a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the NE/4 of Section 20 and the NW/4 of Section 21, both in Township 22 South, Range 36 East, NMPPM, Lea County, New Mexico, is hereby established and dedicated to the Sun Production Company Boren & Greer Gas Com Well No. 2 to be located 890 feet from the North line and 1780 feet from the West line of said Section 21.

(2) That Order No. R-1074 is hereby superseded.

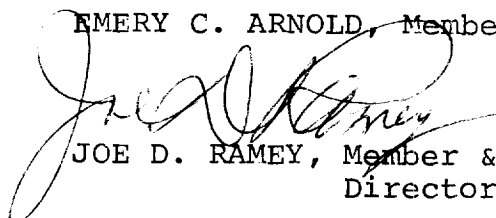
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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 & Division
Director

S E A L

jr/