

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. 810
Order No. R-582

THE APPLICATION OF PHILLIPS PETROLEUM
COMPANY FOR AN ORDER AUTHORIZING THE
FORMATION AND ESTABLISHMENT OF A NON-
STANDARD GAS PRORATION UNIT OF 160 CONTI-
GUOUS ACRES CONSISTING OF THE SW/4 NW/4,
NW/4 SW/4 AND S/2 SW/4 OF SECTION 6, TOWN-
SHIP 25 SOUTH, RANGE 37 EAST, NMPM, LEA
COUNTY, NEW MEXICO, IN THE JALMAT GAS
POOL, AND FOR THE ASSIGNMENT OF THE
ACREAGE IN SUCH UNIT TO THE PHILLIPS
PETROLEUM COMPANY'S C. D. WOOLWORTH
GROUP 3, WELL NO. 1, FOR GAS PRORATION
PURPOSES IN THE JALMAT GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on January 13, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 9th day of February, 1955, the Commission, a quorum being present, having considered the records and the testimony adduced, and being fully advised in the premises,

FINDS:

1. That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
2. That pursuant to provisions of Rule 5 (a) of the Special Rules and Regulations for the Jalmat Gas Pool of Order No. R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.
3. That applicant, Phillips Petroleum Company, is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal section and described as follows:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
SW/4 NW/4, NW/4 SW/4, and S/2 SW/4 of Sec. 6

comprising 160 acres, more or less.

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4. That applicant, Phillips Petroleum Company, has a producing gas well on the aforesaid lease known as the C. D. Woolworth, Group 3, Well No. 1, located 660' from the south line and 647' from the west line of Section 6, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

5. That the aforesaid well is located within the horizontal limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.

6. That the aforesaid well was completed prior to August, 1954, in conformance with existing pool rules, as an oil well in the lower Seven Rivers formation, and was recompleted after the above date as a gas well in the Yates and Upper Seven Rivers gas zones, which are within the vertical limits of the Jalmat Gas Pool.

7. That it is impractical to pool applicant's said lease with adjoining acreage and that the owners of adjoining acreage have offered no objection at the hearing to the formation of the proposed proration unit.

8. That all of the acreage in the proposed unit is reasonably presumed to be productive of gas from the Jalmat Gas Pool, and unless a proration unit consisting of applicant's aforesaid acreage is approved and authorized and assigned to Phillips Petroleum Company's C. D. Woolworth Group 3, Well No. 1, for the purpose of gas proration in said pool, applicant will be deprived of the opportunity to recover its just and equitable share of natural gas in the Jalmat Gas Pool.

9. That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

1. That the application of Phillips Petroleum Company for approval of a non-standard gas proration unit consisting of the following described acreage:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
SW/4 NW/4, NW/4 SW/4, and S/2 SW/4 of Sec. 6

is hereby approved and a gas proration unit consisting of the aforesaid acreage is hereby created in the Jalmat Gas Pool.

2. That for the purpose of gas proration in the Jalmat Gas Pool, the acreage included in said unit is hereby assigned to the Phillips Petroleum Company C. D. Woolworth, Group 3, Well No. 1, which is located in the SW/4 SW/4 of Section 6, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico; that said well shall be granted an allowable in the proportion that the above-described 160-acre unit bears to the standard or orthodox proration unit for the Jalmat Pool, and that said well shall be granted an allowable from the 1st day of March, 1955, all until further order of the Commission.

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

State of New Mexico
Oil Conservation Commission

John F. Simms
JOHN F. SIMMS, Chairman

E. S. Walker
E. S. WALKER, Member

W. B. Macey
W. B. MACEY, Member and Secretary

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