

Entered April 9, 1979
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6452
Order No. R-5970

APPLICATION OF BURLESON & HUFF FOR
A NON-STANDARD GAS PRORATION UNIT
AND APPROVAL OF INFILL DRILLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 28, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of April, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Burleson & Huff, seeks a finding that the recompletion of its Harrison Well No. 2 located in Unit N of Section 25, Township 24 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, or, in the alternative, the drilling of its Harrison Well No. 4 in Unit L of said Section 25, is necessary to effectively and efficiently drain that portion of the proration unit which could not be and was not drained by the previously completed wells on the unit.
- (3) That the standard spacing unit in the Jalmat Gas Pool is 640 acres.
- (4) That the applicant also seeks a waiver of existing well spacing requirements and the establishment of a 160-acre non-standard gas proration unit comprising the SW/4 of the aforesaid Section 25 to be dedicated to the aforesaid Well No. 2, or in the alternative, Well No. 4.

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(5) That a 160-acre non-standard Jalmat gas proration unit, comprising said lands, was previously approved by the Division and was in turn dedicated to applicant's Well No. 3 in Unit K of Section 25 or applicant's Well No. 1 in Unit M of Section 25, but that said non-standard unit expired when one of said wells was deepened to another horizon and the other was reclassified as a Jalmat oil well.

(6) That the evidence in this case indicates that there are remaining Jalmat gas reserves underlying the SW/4 of Section 25, and that to recover said reserves, it will be necessary to successfully recompleat applicant's Well No. 2 as a Jalmat gas well or to drill and complete the alternative Well No. 4 as a Jalmat gas well.

(7) That such recompletion or drilling and completion operations should result in the SW/4 of Section 25 being more effectively and efficiently drained than by the previously existing wells on the proration unit and should be approved.

(8) That the re-establishment of the proposed 160-acre non-standard gas proration unit and approval of either the No. 2 well or the No. 4 as the unit well is in the interest of conservation, will prevent waste, will not impair correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That a 160-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the SW/4 of Section 25, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby approved, said unit to be dedicated to the Burleson & Huff Harrison Well No. 2 located in Unit N of said Section 25, or in the alternative, to applicant's Harrison Well No. 4 to be located in Unit L of said Section 25, each of which is hereby approved as an exception to the well spacing requirements for the Jalmat Gas Pool.

(2) That said non-standard proration unit shall receive an acreage factor of 1.00 for allowable purposes.

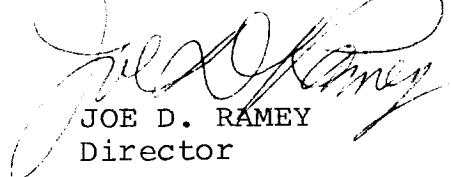
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

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