

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 931
Order No. R-687

THE APPLICATION OF EL PASO NATURAL
GAS COMPANY FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION PURSUANT
TO RULE 5 (a) OF THE SPECIAL RULES AND
REGULATIONS FOR THE JALMAT GAS POOL
OF ORDER NO. R-520 IN ESTABLISHMENT OF
A NON-STANDARD GAS PRORATION UNIT OF
440 CONTIGUOUS ACRES CONSISTING OF S/2,
S/2 NW/4, AND NW/4 NW/4 OF SECTION 33,
TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 14, 1955 and on August 17, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 15th day of September, 1955, the Commission, a quorum being present, having considered the records and 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 of 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, El Paso Natural Gas Company is the owner of the gas rights in Lea County, New Mexico on land consisting of other than a legal section, and described as follows, to-wit:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
S/2, S/2 NW/4, and NW/4 NW/4 Section 33

containing 440 acres, more or less.

Entered September 21, 1955
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(4) That applicant, El Paso Natural Gas Company, has a producing well on the aforesaid lease known as Gregory Federal No. 1, located 1650 feet from the South and East lines of Section 33, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That the aforesaid well was completed and in production on May 19, 1955, and is located within the horizontal and vertical limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Jalmat Gas Pool and that the owners of adjoining acreage in said section have not objected to the formation of the proposed proration unit of 440 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Jalmat Gas Pool.

(8) 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 El Paso Natural Gas Company for approval of a non-standard gas proration unit consisting of the following described acreage:

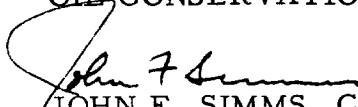
TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
S/2, S/2 NW/4 and NW/4 NW/4 Section 33

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

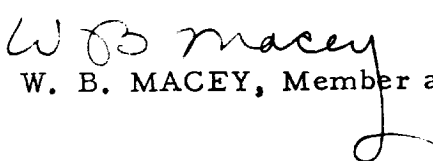
(2) That applicant's well, Gregory Federal No. 1, located in the Jalmat Gas Pool, shall be granted an allowable in the proportion that the above described 440 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


W. B. MACEY, Member and Secretary

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