

Entered October 21/1955-105
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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. 951
Order No. R-704

THE APPLICATION OF WESTERN
NATURAL GAS COMPANY FOR AN
ORDER GRANTING APPROVAL OF AN
EXCEPTION TO RULE 5 (a) OF THE
SPECIAL RULES AND REGULATIONS OF
THE JALMAT GAS POOL OF ORDER NO.
R-520 IN ESTABLISHMENT OF A NON-
STANDARD GAS PRORATION UNIT OF 200
CONTIGUOUS ACRES CONSISTING OF SW/4
NE/4, SE/4 NW/4, NE/4 SW/4, NW/4 SE/4
and NW/4 NW/4 OF SECTION 6, 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 September 15, 1955 at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 13th day of October, 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, Western Natural Gas Company, has a producing well on the aforesaid patented lease known as the Wells No. 1, located 1980 feet from the north line and 1980 feet from the east line of Section 6, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.
- (4) That the aforesaid well was completed and in production prior to the effective date of Order No. R-520, and is located within the horizontal limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.

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Order No. R-704

(5) That the orderly development of the Jalmat Gas Pool and the protection of correlative rights would best be accomplished by the establishment of a non-standard proration unit in the Jalmat Gas Pool consisting of the following acreage:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
SW/4 NE/4, SE/4 NW/4, NE/4 SW/4,
NW/4 SE/4 of Section 6

containing 160 acres, more or less.

(6) That the orderly development of the Jalmat Gas Pool and protection of correlative rights would best be accomplished by the communitization of federal gas acreage consisting of the NW/4 NW/4 of Section 6, Township 25 South, Range 37 East, NMPM, with presently dedicated federal gas acreage consisting of the W/2 SW/4 of Section 31, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(7) That the creation of a proration unit consisting of the following acreage that was applied for would lead to the unorderly development of the Jalmat Gas Pool and would not protect correlative rights:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
SW/4 NE/4, SE/4 NW/4, NE/4 SW/4, NW/4 SE/4
NW/4 NW/4 of Section 6

IT IS THEREFORE ORDERED:

(1) That the application of Western Natural Gas Company for approval of a non-standard proration unit consisting of the following described acreage:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
SW/4 NE/4, SE/4 NW/4, NE/4 SW/4, NW/4 SE/4
NW/4 NW/4 of Section 6

be and the same is hereby denied.

DONE at Santa Fe, New Mexico, 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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